



KANNALAND
MUNISIPALITEIT / MUNICIPALITY



2017/2018

Contact Details:

Head office:

32 Church Street
Ladismith
6655

Tel Number: 028 551 1023

Fax: 028 551 1766

Email: info@kannaland.co.za

Website: www.kannaland.gov.za

Satellite Offices:

Calitzdorp 044 213 3312

Zoar 028 561 1332

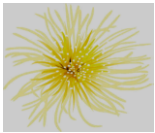
Van Wyksdorp 028 581 2354

History of Kannaland

Kannaland Municipality is named after a plant called 'kanna' in Khoi. Indigenous to our area,

this is a lush, low-growing succulent that is commonly known as Kanna, Canna, or Kougoed. The area is located in the succulent Karoo biome that features these desert-adapted species in abundance. The route offers a range of attractions linked to people, biodiversity, history and culture.

The logo of Kannaland Municipality includes the following elements:



The Kanna flower, unique to our district and after which our area is named.



A light green swirl, representing Route 62 on which we are situated, as well as our embracing of the community.

The K symbol, reinforcing our name and our bond to the community.

The use of shades of green reflects the vegetation that surrounds us in our river valleys, highlights the vital importance of sensitivity to environmental and ecological issues in our area, and indicates our commitment to growth and productivity.

Vision Statement:

The Place of Choice”

To create the ideal environment in which the people of Kannaland would like to live and work.

The environment influences one’s choice – in this respect, the choice of a working place and residence. It is up to the leaders of this municipality to create that ideal environment that would not only make those already here to want to remain here, but also to retain and draw the highly skilled ones who would eventually make Kannaland and the municipality a great place.

You create such an environment by:

- caring for your youth and women;
- encouraging work ethos;
- ensuring sound financial practices,
- practising good governance;
- promoting community involvement in local governance;
- being courteous to visitors;
- spending less time plotting bad media publicity; and by
- stimulating the local economy.

Mission Statement

The Mission of the Kannaland Municipality is:-

Sustainable growth

- Promote sustainable growth patterns which mitigates climate change and which enhances the quality of life of residents through sustainable living practices and which contributes to the local economy.

Sustainable Human Settlements

- Promote the establishment of sustainable human settlements in providing housing to residents.

Healthy community

- Promote a healthy community with access to health bearing services such as sewage, sanitation, safe streets, lighting

Infrastructure Investment

- Promote the development and maintenance of infrastructure that promotes service delivery, growth in jobs and facilitates empowerment and opportunity.

Opportunity driven

- Promote the increase in opportunities for growth and jobs, driven by private sector and the public sector, by creating an enabling environment for business and provide demand-led private sector driven support for growth sectors, industries and business.

Compliance

- Promote the municipality as a compliant and accountable sphere of local government that is characterized by good governance.

Intergovernmental relations

- Promote the management of effective Intergovernmental Relations

Integrated Planning

- Promote effective Integrated Development Planning that relates to all spheres of government and civil society.

Participation

- Promote the participation of the community in the working of the municipality.

Capacity

- Promote capacity development within the municipality area so that effective service delivery can be advanced.

Maintenance

- Promote well-maintained municipal infrastructure through operations and management.

Disaster Management

- Effective disaster management practices in collaboration with other spheres of government and the District Municipality.

Quality Services

- A fully functional department accountable for delivering quality services to local government of physical assets.

Corporate Values

**Kannaland Municipality's key values
are:**

- ✓ **Dignity**
- ✓ **Respect**
- ✓ **Trust**
- ✓ **Integrity**
- ✓ **Honesty**
- ✓ **Diligence**

Executive Summary

Introduction

Integrated Development Planning is a process that has become central to local government in driving processes to ensure delivery to residents of a municipality. Integrated Development Planning has been developed as a consolidated municipal planning process that provides a framework for the planning of future development in a municipality. It ensures horizontal and vertical co-ordination and integration across the three spheres of government: national, provincial and local. The consultation process is therefore critical due to the success of every South African municipality's attempt to bring about responsive, developmental local government and poverty alleviation.

Background

Kannaland Municipality is a Category B Municipality in the Eden District. It is the smallest municipality in the Western Cape Province and in South Africa. Despite the small economic and state of financial climate, the municipality thrive to deliver services to the community.

Legislative Mandate

The Municipal Systems Act (MSA) Act 32 Of 2000 requires Council to develop Integrated Development Plans which should be single, inclusive and strategic in nature. The IDP of a municipality will guide development within the council's area of jurisdiction, once adopted; an IDP should also be reviewed annually. In addition, the Act also stipulates the IDP process and the components to be included.

Purpose

The purpose of Integrated Development Planning is to facilitate faster and more appropriate delivery of services and provide a framework for economic and social development in a municipality. Section 34 of the Municipal Systems Act determines that a municipal council must review its integrated development plan annually in accordance with an assessment of its performance measurements and as changing circumstances demand.

Strategic Agenda

The municipality is the major arena of development planning. It is at this level of government where people's needs, priorities, and local conditions have to be linked, with national guidelines

and sectorial considerations, to specific projects and programmes. The Kannaland Municipality therefore developed a 5-year strategic plan.

In order to achieve the outcomes and objectives of the Municipality the Municipality is categorized in seven strategic (key) performance areas. The strategic framework is based on the following:

Key Performance Area 1: Reliable Infrastructure:

The objective of the Kannaland Municipality is to provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens. There is an urgent need for the Municipality to upgrade and maintain its infrastructure. Concerning infrastructural planning, the municipality is in the process of finalizing an Integrated Municipal Infrastructure Plan to eradicate any infrastructural backlogs.

Electricity is the main energy source of households within this municipal area. Kannaland electricity infrastructure is outdated and in need of urgent upgrade. Currently an electricity master plan has been developed which aims at the evaluation and guidance of the operating and maintenance processes as well as to reduce losses in income due to aged and failing infrastructure as well as the demands of new infrastructure. The municipality has applied for INEP funding to fund the identified infrastructure. Due to the financial shortcomings faced, the municipality has expressed various needs for infrastructure upgrade in the Municipal area at IGR platforms.

Funding has been obtained for the Taxi route upgrade in Ladismith, and the Municipality aims to upgrade all gravel internal roads in Zoar with paving material. The project will be registered through MIG for funding in 2017/18 – 2027/28. Approximately 20 kilometers' will be paved over a ten-year period. The municipality also aim to upgrade all sidewalks and pavements in Calitzdorp. It is listed in the Integrated Transport Plan to upgrade the entire municipal (internal) municipal roads with the Kannaland municipal areas.

Over a three-year financial period, the municipality plans to upgrade the wastewater treatment works (WWTW) in Zoar. It was prioritized for the outer financial years to seek for possible support to upgrade the waste water treatment works in Ladismith and Calitzdorp. Funding has been obtained for the upgrade for the water reticulation system in Zoar, Calitzdorp, Ladismith and Van Wyksdorp over the next three years. Economic Development in the Ladismith area (which is the biggest economic node in the Kannaland Municipal area) has been hampered by the lack of water storage capacity and bulk waste treatment capacity.

The bulk water storage capacity remains a challenge, which emphasise the urgent fast tracking of the construction of dams as indicated later in the document. In order to upgrade water meters, the municipality obtained funding to install and upgrade water meters in all four wards. The entire Western Cape currently faces a serious drought due to poor rainfall during our 2016 winter season. The demand for water has also steadily increased every year due to the province's rapidly growing population and economy. This, as well as climate change, has added significant pressure on our water supply.

The National Waste Information Regulations requires of municipalities that they must submit actual quantities of waste for the different activities they are registered for on IPWIS from 2018. Kannaland will also be required to obtain funding and make provision for the acquiring of such equipment in their municipal budget. Funding has been allocated for upgrade of the Calitzdorp and Vanwyksdorp landfill transfer stations.

Key Performance Area 2: Service Delivery:

The objective of the municipality is to provide basic services to all its residents and to improve community relationships. The delivery of municipal services in electricity, water, sanitation, refuse, roads and storm water is a key function of the Kannaland Municipality.

The Municipality faces significant service delivery challenges, including the roll out of services to rural areas and under serviced households, ensuring adequate maintenance of assets occur, controlling the rising unit costs of service delivery, addressing future bulk supply shortages and ensuring adequate investment in economic infrastructure.

Ward Committees have been established in all four Wards and communities have already expressed themselves on their service delivery needs. The municipality will review the service delivery strategies and service levels and will seek opportunities to service delivery partnerships and the development of a delivery plan and charter for implementation. The Municipality will initiate the process to obtain a source for the funding for the appointment of a service provider to facilitate the development/review of an integrated approved Human Settlement Plan.

Various housing projects is in planning phase in partnership with the Provincial Government for implementation over the next 5 years. The Municipality also has a responsibility to

provide for the needs of the indigent in the Municipality. This is placing a major burden on the finances of the municipality.

Key Performance Area 3: Safe Communities:

The objective of the Municipality is to strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks. The function of the traffic service is critical to ensure overall law enforcement and road safety within the Kannaland municipal area. A Traffic Safety and revenue plan will be developed during the 2017/18 financial year, with the assistance of the Provincial Treasury and Department of Local Government.

The Municipality will review the status of preparedness and contingency plans associated with the prevailing risks identified in the area and to reflect possible risk reduction projects during the first three years of the 2017-2022 Financial Years. The Eden District Municipality has agreed to provide Fire and Rescue Services within the Kannaland Municipal area, as the Municipality does not have the capability to do so. The municipality aim to also develop a traffic by-law during the 2017/18 – 2019/2020 financial years.

Key Performance Area 4: Socio-Economic Development:

The objective of the Municipality is to facilitate economic growth and social and community development. The Municipality is placing a high premium on the improvement of community facilities. In Calitzdorp and Zoar the sport fields will be upgraded and a new cemetery will be established in Ladismith. The Municipality also aims to improve its environment and a pollution control strategy will be implemented. The Kannaland's local economy is built on the opportunities created by tourists visiting the area. It is essential that the tourism industry be further developed and investment into this industry be promoted to ensure continuous growth. The Municipality will therefore engage stakeholders and consider allocations for tourism development, Art and Culture promotion and SMME development.

The Municipality will identify plans aimed at enhancing the quality of health for the Kannaland communities and the budget requirement for the development of an Air Quality Management will be identified and sourced. The Klein-Karoo has vast developmental potential, especially in terms of agriculture and agro-processing. Agriculture is an important economic sector. The Municipality will participate in the Agri-Parks Programme of the Provincial Government

and the dairy, fruit and livestock economic sectors will be analysed in order to determine the output and benefit that can be gained from these sectors.

The rural character and sensitive natural environment will be protected. The Municipality will identify the cost and source the funding for the development of an Alien Invasive Control Management Plan and assess the influence of climate change.

Key Performance Area 5: Effective and Efficient Governance

One of the key factors to the success of a Municipality is to be stable, well-managed and efficient. The Municipality will promote efficient and effective governance with high levels of stakeholder participation. The political and administrative leadership of Kannaland Municipality will position itself to manage competing demands for limited resources in a fair equitable and efficient manner.

The Municipality will draft and update all municipal policies, strategies and operational plans over the next three years. This will be done to ensure that municipal activities, rules and procedures are consistent with all relevant policies, legislations and by-laws.

The Municipality will improve communication of the vision, strategy and plans both internally and externally, to keep staff informed, capacitated and to manage the expectations of the community. In the Agricultural sector, improved processes will be introduced to support inclusive participation in agricultural value-chains and fostering an environment conducive to local and regional private sector investment. Community participation in the structures of local government will be strengthened in all the areas in the Municipality.

Key Performance Area 6: Efficient Workforce

The objective of the Municipality is to provide an efficient workforce by aligning institutional arrangements to the overall strategy. The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority. Institutional transformation is needed in order to bring stability in the council administration, to fill management vacancies, conduct organizational redesign and to compile all job descriptions and job evaluations for all posts. Funding will be sourced in order to appoint a service provider to conduct an organisational review over the first two financial years in order to ensure that the organogram is aligned to the IDP, funded and the correct person is in the correct job, job descriptions are up to date and evaluated.

The municipality will also develop a Human Resource Strategy that will influence the operations of current policies and possibly the compilation of new policies.

The new strategy will also assist the municipality amongst other with the most effective placement of employees. The Municipality aims to maximize employee development by creating development opportunities for the municipality's employees by maximizing existing developmental opportunities. An Individual Performance Management programme for all managers/supervisors up to the third level of reporting will also be implemented. The municipality has developed a Work Place Skills Plan (WSP) of which the main objective is to ensure that there is staff development through training interventions for all levels of staff.

Key Performance Area 7: Financial Sustainability

The objective of the Municipality is to strive towards a financially sustainable municipality. Kannaland Municipality has a duty to improve financial management across expenditure, revenue, assets, supply chain, debt and financial reporting streams to determine the most effective way of solving its financial problems. Due to the challenges the Municipality has been and is still experiencing, a Financial Recovery Programme has been introduced by the Provincial Government in order to bring the financial management of the Municipality to the required norms and standards. The Municipality will review the budget and expenditure management systems to ensure that efficient and effective service delivery is in line with Municipal priorities.

The revenue management systems will be reviewed in order to maximise revenue generation possibilities and improve revenue performance. The Municipality will introduce measures to enhance levels of customer care, increase responsiveness to consumer billing and other queries. The Municipality will review cash and debt management strategies and practices. The Municipality will review internal controls and delegations regarding financial management. Funding needs to be sourced in order to develop and integrated infrastructure and asset management plan.

This will entail the review and updating of the Asset Register. The Municipality will review governance practices in the Supply Chain practices and implement proper controls and risk management practices. The Municipality will initiate a process towards the review of IT infrastructure and implement accounting in order to ensure that financial systems are in line with the Municipal Budget and Reporting Reforms.

Overview IDP Cycle

This Final annual review makes provision for project and programmes that has to be implemented from the 1st of July 2017 until 30th June 2022. Projects will be fully implemented by the end of this financial year because implementation is still on track and the municipality will be able to spend the budget approved by council.

Spatial and IDP Mapping

The municipal Spatial Development Framework (SDF) is in process to be amended and approved and will be used to develop Kannaland municipal area in the long term. Further work will be done on the SDF and will be implemented with the approved SDF. The IDP Project Spatial maps are included and indicate current and future development of the municipal area.

Disaster Management

The formulation and implementation of a Disaster Management Plan forms part of the Municipality's IDP process. The purpose of this Disaster Management Plan [Disaster Management Act 57 Sect 53 (2)] is to ensure that there is Disaster Management at all times enhancing the Municipality's ability to prevent and to deal with disasters and to avoid development that is considered high risk in terms of the potential for disasters.

This chapter gives an indication on the readiness of the municipality in case of a disastrous event. It also identifies projects and programmes that will be implemented to reduce risks and the mitigation measures that are put in place to enable vulnerable groups to be resilient.

Annexures & Appendices

The contingency plans as well spatial plans will be included as a guide to strengthen the read of the IDP document.

Foreword Executive Mayor



The Municipality has faced various challenges over the past ten years which will require discipline, commitment and hard work to overcome. This Integrated Development Plan shows that the Municipality will continue to implement its Municipal Strategy in a manner that builds confidence.

The Municipality aims to be well managed and accountable, taking prudent stewardship of public funds, the safeguarding of public assets, and the effective, efficient and economical use of public resources.

The implementation of this IDP will be one of the Municipality's greatest challenges faced as it is with severe financial constraints, insufficient capacity and inadequate resources. Kannaland Municipality inherited huge outstanding debt, assets that were in a poor and unusable state, and many that remain unaccounted for. The Municipality will require a great deal of support and assistance to achieve its strategic objectives, which aim to create a better situation and a good quality of life for its communities, as summarised in the IDP's Strategic Context.

The Municipality will manage its resources in a manner to mitigate risks; make improvements in basic infrastructure; improve municipal financial management and will aim to receive clean audits. Public participation will remain an important priority for the Municipality. All relevant stakeholders will be engaged in strengthening ward committees to retain a connection with communities in relation to projects and initiatives of the Municipality. The emphasis in the coming year and beyond, is to reinforce public participation processes by introducing focused sector meetings on regular basis.

In order to establish a sound living environment, we will address, in collaboration with other spheres of government to deal with housing delivery backlogs, the introduction of innovative solutions and the acceleration of the implementation of the social housing policy.

A concerted effort including massive campaigns will be made to address grime and crime across the city. The local economic development strategy will receive the necessary attention to ensure that they are realized. We will also revise our organizational structure to ensure that it is responsive to the challenges facing the Municipality.

This report will show how we are working in collaboration with government departments and private business in the provision of services to our communities.

Executive Mayor

Executive Mayor Magdalena Barry

Foreword by the Municipal Manager

The Kannaland Municipality has been faced by consistent failures to fulfil its executive obligations over a prolonged period. This has affected the morale of staff and the ability of the Municipality to present itself as a dynamic, growing and positive entity. Linked to the inherent challenges the financial sustainability of the Municipality is threatened. One of the main priorities over the short term will be to stabilise and strengthen the Municipal administration. This will require the review of systems, policies and procedures in an array of corporate, institutional and administrative functions that will have to be designed and put in place.

Oversight, risk management and internal audit controls will be addressed in order to ensure value for money spending and to prevent irregular, fruitless and wasteful and unauthorised expenditure. Currently the Kannaland Municipality faces severe financial constraints, infrastructure deficits, backlogs and institutional instability. A Financial Recovery Plan was developed to attempt and balance the budget, reduce debt to sustainable levels, benchmark its revenue and expenditure.

This will result in providing for the current contingent liabilities and to build reserves to invest in infrastructure that will promote its development and shared growth. The tariff structure will be reviewed in order to recover the cost of service rendering and allowing infrastructure to be maintained and upgraded.

The challenge of a high occurrence of indigent customers places a strain on municipal resources and the ability to function as a going concern. The continuity of senior management staff has also resulted in institutional and administrative difficulty. The administrative structure has been reviewed with recent and accurate job descriptions. The right person must be placed in the right job and the capacity and skills of employees should also be addressed in order to enable them to fulfil their administrative and technical duties. The aim is to transform the Municipality's organisational culture to one that is characterised by passionate employees, relentless in their pursuit for excellence. I would like to extend my appreciation and gratitude to the Mayor, Speaker, and Councillors, as well as Municipal staff, for their ongoing support and commitment to build a better future for all who live in the Municipal area. Lastly, I would like to thank the management and IDP team for their dedication, commitment and hard work for an effective and successful IDP development process under difficult circumstances.

Acting Municipal Manager

R Stevens

Table of Contents

Contact Details:	1
History of Kannaland	2
Mission Statement	3
Executive Summary	5
Foreword Executive Mayor	13
Foreword by the Municipal Manager	15
Table of Contents	16
Glossary of Acronyms	24
Chapter 1 – Introduction: Strategic Planning	26
1.1 Integrated Development Planning	26
1.2 IDP Legislative Framework	27
1.3 Kannaland IDP Process	29
1.3.1 IDP and Budget Process Plan Legislative Requirements	30
1.4 Provincial Integrated Development Plan Assessment comments	40
1.5 Status quo of critical internal transformation needs and service delivery development challenges:	40
1.6 Inter-Governmental Relations and Policy Alignment	43
1.6.1 Sustainable Development Goals	43
1.6.2 The Millennium Developmental Goals	43
1.6.3 National Development Plan (NDP) –Vision for 2030	43
1.6.4 National Government Outcomes	46
1.6.5 Provincial Government Western Cape - Provincial Strategic Objectives	46
1.6.6 Eden District Municipality's Strategic Goals	47
1.6.7 Kannaland Municipality's Key Performance Areas (Strategic Objectives)	47
1.6.8 Horizontal Policy Alignment	49
1.6.9 Kannaland contribution to the National Development Plan	51
1.7 Inter-Governmental Cooperation	52
1.7.1 Regional and Provincial platforms	52
1.7.2 Public Participation sessions	53
1.7.3 Public Needs Analysis	56
Chapter 2 – Municipal Socio Economic Profile	64
2.1 Contextualize Analysis	64
2.2 Trends	68
2.3 Kannaland at a Glance	70
.....	70
2.3.1 Educational Levels	70
2.3.1.1 Educational facilities	72
2.3.1.2 Education outcomes	72
2.3.2 Employment and Unemployment	73
2.3.3 Health	73
2.3.3.1 Emergency medical services	74
2.3.3.2 HIV/AIDS and Tuberculosis (TB)	74
2.3.3.3 Child Healthcare	75
2.3.4 Safety and Security	76
2.3.5 Basic services provided in Kannaland	76
2.3.5.1 Indigent support	76
2.3.5.2 Access to water	76

2.3.5.3	Access to sanitation.....	77
2.3.5.4	Access to electricity.....	78
2.3.5.5	Access to waste removal.....	78
2.3.5.6	Access to adequate housing.....	78
2.3.6	Spatial and Environmental Analysis	79
2.3.7	Biodiversity.....	80
2.3.8	Climate	82
2.3.9	Kannaland Flora.....	83
2.3.10	Disaster Management.....	84
2.3.10.1	Hazards / Vulnerabilities Assessments	85
2.3.10.2	Risk Reduction Measures.....	85
2.3.10.2.1	Risk Preparedness	85
2.3.10.2.2	Risk Prioritisation	85
2.3.10.2.3	Risk Reduction Measures.....	86
2.3.10.2.4	Response and Recovery Measures.....	86
2.3.10.2.5	Mitigation measures	87
2.3.11	Tourism.....	88
2.3.12	Agriculture.....	89
2.3.13	Regional Agri-parks project.....	90
2.3.13.1	Agritourism.....	91
2.3.13.2	Economic value of main commodities	92
2.3.13.3	Livestock	93
2.3.13.4	Targeted Commodities.....	93
2.3.13.5	Land Classes.....	93
2.3.14	Integrated Rural Development.....	95
2.3.14.1	Ecosystem Status	97
2.3.14.2	General Priority issues/challenges.....	98
2.3.14.2.1	Focus on water.....	98
2.3.14.2.2	Cash-flow	98
2.3.14.2.3	Ease of Doing Business.....	98
2.3.14.2.4	Enabling the Business of Agriculture.....	98
2.3.14.2.5	Rise of medium-scale farmer and large-scale land acquisitions	98
2.3.14.2.6	Megatrends.....	99
2.3.14.2.7	Climate Change	99
2.3.14.2.8	Fruit sector	99
2.3.14.2.9	Commercial deciduous fruit farming in SA.....	99
2.3.15	Spatial Alignment.....	101
2.3.15.1	Legislation Regulating Municipal Spatial Development Frameworks.....	101
2.3.15.2	Bio-Regions	105
2.3.15.3	Spatial Planning Categories For Land Use Management	106
2.3.15.4	Major Infrastructure Projects (as per SDF)	108
2.3.16	Major Tourism Destinations	109
2.3.16.1	Land Reform.....	109
2.3.16.2	Settlement Guidelines.....	109
2.3.16.3	Thusong Centre	117
3.1	Political Structure.....	119
3.1.1	Municipal Council.....	119

3.1.2	Executive Mayor	119
3.1.3	Ward Committees	119
3.1.4	Political Parties.....	119
3.1.5	Councilors	120
3.1.6	Mayoral Committee	121
3.1.7	Oversight Structures.....	121
3.1.7.1	Municipal Public Accounts Committee (MPAC)	121
3.1.7.2	Audit and Performance Committee.....	122
3.1.7.3	Administrative Structure.....	123
3.1.7.4	Committee Services	124
Chapter 4:	Strategic Thrust.....	125
4.1	High Level SWOT Analysis	125
4.2	Strategic Priorities.....	127
4.3	Implementation Strategy.....	129
4.3.1	Key Performance Area 1: Reliable Infrastructure	129
	Objective 1.1 - To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens:	129
	Pipeline Projects	151
4.3.2	Key Performance Area 2: Service Delivery	152
	Objective 2.1 - Provide basic services and improve public relations	153
	Objective 2.2 - Provide for the needs of indigent households through improved services.....	159
4.3.3	Key Performance Area 3: Safe Communities:	159
	Objective 3.1: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks.	159
	Objective 3.2 – Sustainability of the environment.....	161
4.3.4	Key Performance Area 4: Socio-Economic Development.....	161
	Objective 4.1: To facilitate economic growth and social and community development.....	161
4.3.5	Key Performance Area 5: Effective and Efficient Governance	165
	Objective 5.1: To promote efficient and effective governance with high levels of stakeholder participation.....	166
	Objective 5.2 Transparency and Participation.....	166
4.3.6	Key Performance Area 6: Efficient Workforce.....	166
	Objective 6.1: To provide an efficient workforce by aligning our institutional arrangements to our overall strategy	166
	Objective 6.2 - To enable education and skills development to equip people with economic skills	167
4.3.7	Key Performance Area 7: Financial Sustainability.....	169
	Objective 7.1: To strive towards a financially sustainable municipality	169
5.4	Proposed Organisational Performance	174

5.4.1	5 Year Performance Scorecard	174
5.4.2	Performance Scorecard Definitions	178
CHAPTER 6: FINANCIAL PLAN		186
6.1	Financial strategy.....	186
6.2	Management and governance frameworks	187
6.3	Revenue Framework.....	187
6.4	Rates charges, tariffs and timing of revenue collections:	188
6.5	Grants and Subsidies.....	189
6.1	Operating expenditure framework.....	189
6.2	Financial schedules	191
6.2.1	A4: financial Performance	191
6.3	REVENUE.....	194
6.4	Capital Budget.....	196
6.5	Reconciliation of the strategic objectives and budget – Revenue – SA 4	198
6.6	Reconciliation of the strategic objectives and budget – Operating expenditure – SA 5.....	200
6.1	Transfer and grant receipts (SA18).....	201
Chapter 7: Sector Planning		204
7.1	Status Quo Master Plans, Operational, Maintenance and other plans	204
7.2	Relationship between sectoral plans:	206
7.3	List of Statutory, Strategic and Operational Plans.....	208
Addendum 1 - Financial Recovery Plan		209

TABLES:

Table 1: institutional challenges and interventions	41
Table 2: Strategic Alignment	50
Table 3: Sector Engagements	52
Table 4: Ward Committee Members.....	56
Table 5: IDP Priorities	61
Table 6: Education levels Census 2011.....	71
Table 7: EMPLOYMENT AND UNEMPLOYMENT CENSUS 2001/2011.....	73
Table 8: Economic Value of Commodities.....	93
Table 9: Livestock	93
Table 10: Agriculture Infrastructure.....	95
Table 11: Housing demand list - human settlement plan	115
Table 12: Informal shack	116
Table 13: Summary of current human settlements pipeline projects	116
Table 14: councilors.....	121
Table 15: MPAC	122
Table 16: audit and performance committee	122
Table 17: Senior Management	124
Table 18: SWOT Analysis	126
Table 19: Programmes, Projects and Performance Management – Public Participation process.....	131
Table 20: MIG BUDGET.....	131
Table 21: RBIG BUDGET	131
Table 22: WSIG BUDGET.....	131
Table 23: Proposed funding for electricity upgrades	132
Table 24: Electricity Efficiently – Public Participation process.....	134
Table 25: Electricity Efficiently – Public Participation process	134
Table 26: Roads and Strom water Infrastructure – Public Participation Process.....	134
Table 27: Taxi Route upgrade Project	135
Table 28: Integrated Transport Plan.....	141
Table 29: Water and Sanitation Infrastructure – Public Participation process	142
Table 30: Zoar Reticulation Project	145

Table 31: Van Wyksdorp Reticulation Project	145
Table 32: Water Availability Project	146
Table 33: Ladismith Reticulation Project	146
Table 34: Water Meters Replacement Project:	149
Table 35: Transfer Station Project:	150
Table 36: Van wyksdorp Transfer Station Project:	151
Table 37: Planned MIG Projects not yet registered	152
Table 38: MIG Projects not yet registered	152
Table 39: Blue Drop Status – Source: 2014 Blue drop Report.....	155
Table 40: Water and Sanitation – Public participation process	155
Table 41: Proposed Housing Projects - Source: ASLA.....	156
Table 42: Ladismith Informal Settlements Project	159
Table 43: Calitzdorp Sports Field Project.....	162
Table 44: Ladismith Cemetery Project	162
Table 45: Zoar Sport field Project	162
Table 46: Performance Scorecard	178
Table 47: Long Term Financial Plan – Revenue	195
Table 48: Budgeted capital expenditure by vote, functional classification and funding	197
Table 49: SA 4	199
Table 50: SA 5	200
Table 51: Transfer and grant receipts (SA18).....	202
Table 52: Status Quo Master Plans, Operational, Maintenance and other plans.....	205
Table 53: Relationship between sector plans	207
Table 54: FINANCIAL RECOVER PLAN	224

Figure 1: IDP strategic planning cycle	27
Figure 2: 2016 Sustainable Development.....	43
Figure 3: KPA – Kannaland Municipality	48
Figure 4: KSEP: Education Outcome	72
Figure 5: Municipal Economic Review and Outlook (MERO), 2016: Quantec Research, 2016	73
Figure 6: HIV/AIDS - KSEP 2016	74
Figure 7: TB - KSEP 2016.....	75
Figure 8: Western Cape Department of Health, 2015.....	75
Figure 9: Quantec Research 2015.....	76
Figure 10: Access to Water - MERO 2016.....	76
Figure 11: Access to Sanitation - KSEP 2016.....	77
Figure 12: Access to Electricity - KSEP 2016	78
Figure 13: Access to Waste Removal - KSEP 2016.....	78
Figure 14: Quantec Research 2015.....	78
Figure 15: Critical Biodiversity Areas -.....	82
Figure 16: Protected land areas: Eden District.....	83
Figure 17: Tourism and culture attraction – refer to figure 3.4.13.1 in SDF Tourism and culture attraction	89
Figure 18: Agri-Park Framework.....	91
Figure 19: Vegetation Types.....	94
Figure 20: Ecosystem Status.....	97
Figure 21: Protected Areas	97
Figure 22: DOA Survey 2013.....	101
Figure 23: Kannaland SDF – refer to figure 5.3.1.1 in SDF	102
Figure 24: SDF alignment with sector plans	103
Figure 25: Objectives linkage.....	105
Figure 26: Municipal Long Term Vision Illustration.....	129
Figure 27: Zoar Internal Road upgrade.....	137
Figure 28: Calitzdorp Bergsig Internal Roads.....	137
Figure 29: Ladismith WWTW Figure 30: Calitzdorp WWTW.....	143
Figure 31: Waste Water Treatment plant – as indicated in SDF figure 3.4.9.1.....	144
Figure 33: Landfill sites map.....	151
Figure 34: Green Drop Performance – Source: Green Drop Statistics	154
Figure 35: Calitzdorp Bergsig Housing Project	157
Figure 36: Ladismith Housing Project: Parmalat	157

Figure 37: Ladismith Housing Project: Schoongezicht Project	158
Figure 38: Housing Project: Van Wyksdorp	158

Glossary of Acronyms

BBBEE	Broad Based Black Economic Empowerment
CAPEX	Capital Expenditure
CDW	Community Development Worker
CIP	Community Integrated Projects
DBSA	Development Bank of South Africa
DORA	Division of Revenue Act
DWA	Department of Water Affairs
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Program
IDC	Industrial Development Corporation
HSP	Human Settlements Plan
IDP	Integrated Development Plan
INEP	Integrated National Energy Plan
IRS	Implementation Ready Study
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LGTAS	Local Government Turnaround Strategy
MIG	Municipal Infrastructure Grant
MSIG	Municipal Systems Improvement Grant
MSIG	Municipal systems improvement grant
NDP	National Development Plan
OPEX	Operational Expenditure
PMS	Performance Management System
PSO	Provincial Strategic Objectives
RBIG	Regional Bulk Infrastructure Grant
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
SMME	Small, Micro and Medium Enterprises
WTW	Water Treatment Works
WWTP	Waste Water Treatment Plant
WWTW	Waste Water Treatment Works



Part A:

Strategic Planning

Legal framework

IDP process

Institutional challenges

Internal challenges and strategic intervention

Intergovernmental relations and policy alignment

Public Participation Analysis

Chapter 1 – Introduction: Strategic Planning

1.1 Integrated Development Planning

This document represents the 1st review of the Kannaland Municipality Integrated Development Plan (IDP) for the current planning and implementation time-frame, being the budgetary periods. The IDP must be read together comprehensive with the five year IDP and the set of municipal wide sector plans.

The plan will look at economic and social development for the area as a whole. It must set a framework for how land should be used, what infrastructure and services are needed and how the environment should be protected. Integrated Development Planning is the strategic tool of a Local Municipality, designed to bring together and to harmonize individual plans of the municipality's departments. The plan guides all future development of the municipality by setting priorities, allocating resources and defining periods and indicators.

The IDP has a lifespan of 5 years that is directly linked to the council's elected term of office. After every local government elections, the new council has to prepare their IDP in terms of the strategic planning and development. The IDP should be based on long-term spatial, infrastructure and finance plans. The standards of service delivery, financial planning and reporting will therefore be monitored through an effective performance management system.

Municipalities are encouraged and supported by both national and provincial government to develop realistic and credible IDP's that not only comply with relevant legislation but –

- owned by local leadership, municipal management and community as the single strategic plan to direct resources within the municipality;
- driven by the management team and systems within the municipality with implementation regularly monitored during the year through the performance management system;
- contain a long-term development strategy guiding investment across the municipal area;
- provide an investment plan for national, provincial and local government and non-governmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders; and
- include local area plans to localise the strategy and implementation of the IDP.

This schematic diagram is to inform and guide how the strategic cycle for the five-year term (2017-2022) will be implemented through revision of the IDP annually:

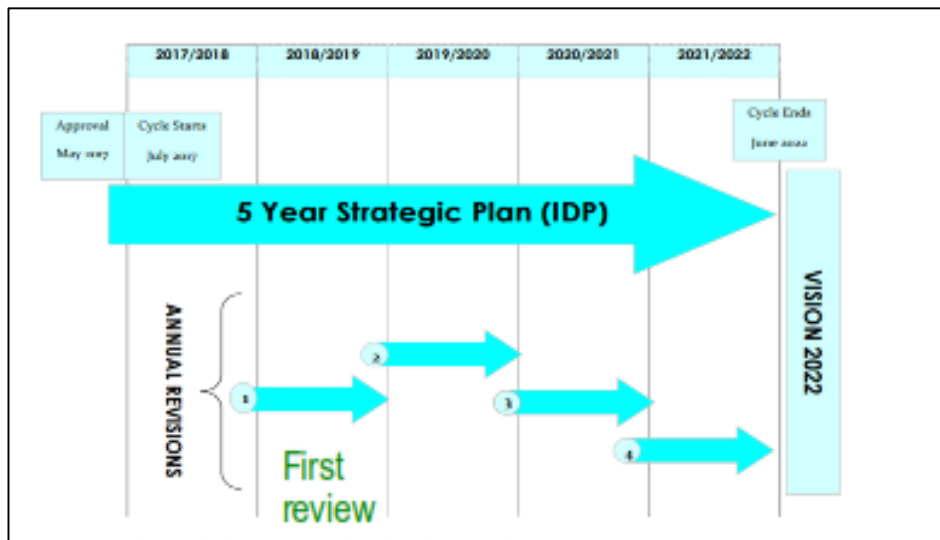


Figure 1: IDP strategic planning cycle

This IDP guides all future developments of the municipality by setting priorities, allocating resources and defining periods and indicators. In preparing the IDP the municipality has set out to develop an IDP which aims to foster more effective service delivery by providing the framework for economic and social development in terms of the municipal mandate. In doing so, it contributes toward the notion of a developmental local government that fosters a culture of co-operative governance.

Kannaland Municipality strives to continue to develop the IDP as an effective management tool of which the aim is:

- Creating a greater level of focus and thereby improving on the strategic nature of the document;
- Aligning this strategic document with the realities of financial and human resources;
- Alignment of the IDP with the activities of the sector departments
- Alignment of the IDP with the various sector plans

1.2 IDP Legislative Framework

The mandate of the municipality is provided for in section 152 of the Constitution of South Africa that stipulates the objectives for developmental local government, namely:

- to provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development;

- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in matters of local government.

Although the implementation of the IDP is monitored through the performance management system, an annual process is required to check the relevance of the strategic plan within a dynamic environment.

The IDP is given legal status by the following primary and secondary legislation and regulations:

- The Municipal Systems Act 32 of 2000 (referred to as MSA)
- The Municipal Finance Management Act No. 56 of 2003 (referred to as MFMA)
- Municipal Planning and Performance Management Regulations, 2001: Department of Provincial & Local Government

The Municipal Systems Act 32 of 2000 requires that all Municipalities must prepare and adopt an Integrated Development Plan (IDP) and must subject it to an annual review. In terms of Chapter 5, Section 25, all Municipalities must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the Municipality. Section 34 of the same chapter requires a Municipality to review the IDP annually and, where necessary, to amend the plan in accordance with a prescribed process.

In addition to the requirement for every Municipality to compile such an Integrated Development Plan, the Municipality is also required to monitor and evaluate its performance. Section 34 of the MSA deals with the review and amendment of the IDP:

A Municipal Council must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements in terms of Section 41; and to the extent that changing circumstances so demand; and may amend its Integrated Development Plan in accordance with prescribed processes.

The IDP has to be reviewed annually in order to:

- Ensure its relevance as the Municipality's strategic plan;
- Inform other components of the Municipal business process including institutional and
- financial planning and budgeting;
- Inform the cyclical inter-governmental planning and budget cycle.

The Local Government: Municipal Planning and Performance Management Regulations, 2001 states in Chapter 2 that the IDP review and amendment process must adhere to the public participation requirements as outlined in Chapter 4 of the MSA.

Section 16(1) of the MSA requires that a Municipality must develop a culture of Municipal governance that complements formal representative government with a system of anticipatory governance, and must for this purpose encourage, and create conditions for, the local community to participate in the affairs of the Municipality.

Regulation 2(4) of the Local Government Municipal Planning and Performance Management Regulations, 2001 requires that:

- only a member or committee of a municipal council may propose an amendment to the IDP;
- the proposal to amend must be accompanied by a reason and be aligned with the district IDP;
- the amendment is adopted by a decision of the Municipal Council;
- all the members of the council be given reasonable notice;
- the proposed amendment/s be published for public comment for a period of at least 21 days in a manner which enables the public to make representations in this regard; and the applicable district Municipality be consulted.

During 2003 the Municipal Financial Management Act (MFMA) was enacted which specifies a number of time frames for the tabling and adoption of the Municipal Budget and amendments to the IDP. In terms of Section 16 and 17, the Mayor must, at a Council meeting not later than the 31st of March each year, table any draft and proposed amendments to the IDP with the draft budget. In terms of Section 24 of the MFMA, the municipal council must at least 30 days before the start of the budget year consider the approval of the annual budget. Both pieces of legislation (Municipal Systems Act and the Municipal Financial Management Act) emphasize the close relationship between the budget processes.

1.3 Kannaland IDP Process

The IDP was developed in terms of an IDP process plan developed to ensure that the IDP process complies with certain minimum quality standards, to ensure that proper coordination between and within the spheres of government is established and engaged during the preparation of the IDP.

Council approved the process plan for 2017-2018 on 31 Augustus 2016 which sets out the methods and approached according to which the IDP planning process to be conducted. The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compose its integrated development plan and the budget for the 2017/18 financial year as well the four outer years (activities and dates are subject to change).

The process plan enhances integration and alignment between the IDP and Budget, thereby ensuring the development of an IDP-based budget. It fulfils the role of a business plan or an operational framework for the IDP process outlining the manner in which the IDP process will be undertaken. In addition, it identifies the activities in the processes around the key statutory annual operational processes of the budget and IDP compilation, performance management implementation and the adoption of the municipality's annual report.

The IDP and Budget processes are two distinct but integrally linked processes which must be coordinated to ensure that the IDP and budget related policies and the final budget are mutually consistent and credible. Credibility refers to the municipality's ability and capacity to spend and deliver services in accordance with its approved budget. The process creates its own dynamics since it encompasses the involvement of external role-players and vested interest groups, therefore it requires accurate logistical planning and arrangements of engagement sessions to ensure that the process is implemented in accordance with the approved schedule.

1.3.1 IDP and Budget Process Plan Legislative Requirements

According to Section 28(1) of the Municipal System Act, No 32 of 2000 a municipal council must adopt a process set out in writing to guide the planning, drafting and review of its integrated development plan. This Process Plan outlines the programme to be followed and provides detail on the issues specified in the Act. A process plan must include the following:

- A programme specifying time-frames for the different steps;
- Outline mechanisms, processes and procedures for consultation of the community, organs of state, traditional authorities and role-players;
- Identify all plans and planning requirements binding on the municipality;
- Be consistent with any other matters prescribed by legislation.

Section 21(1) of the Municipal Finance Management Act (Act 56 of 2003) further prescribes that the Mayor of a municipality must co-ordinate the processes of preparing the annual budget and for reviewing the municipality's IDP. It is therefore imperative that a time schedule outlining the key activities in the process with deadlines for attainment be tabled to Council for approval ten (10) months prior to the final approval of the IDP and Budget.

In order to ensure certain minimum quality standards of the IDP process and a proper coordination between and within the spheres of government, the preparation of the planning process is regulated by the Municipal Systems Act, No 32 of 2000. Section 28 of the Systems Act stipulates that:

- Each Municipal Council must adopt a process set out in writing to guide the planning, drafting, adoption and review of the IDP.

- The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.
- A municipality must give notice to the local community of particulars of the process it intends to follow.

In terms of Section 29(1) of the Municipal Systems Act the process must:

- be in accordance with a predetermined programme specifying timeframes for the different steps;
- through appropriate mechanisms, processes and procedures allow for the local community to be consulted on its development needs and priorities, allow the local community to participate in the drafting of the IDP, and allow organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the IDP;
- provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation.

The approved detailed process plan is depicted as follows

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Preparation	Conduct an assessment of progress of the performance measurements and changing circumstances in the municipality to constitute a review of the IDP	Executive Mayor Municipal Manager		04										
	Tabling of the draft IDP Review & Budget Time Schedule to the MAYCO meeting: Tabling of draft IDP & Budget Time Schedule to Council	Executive Mayor Council		31										
	District IDP Managers Forum – Alignment of IDP Review and Budget Time Schedule with District Framework Plan	Eden District IDP Manager												
Analysis	Review of the Performance Management System (PMS)	Performance and Compliance Officer	31											
	Review the annual performance against SDBIP's	Performance and Compliance Officer		30										
	Assess the municipal financial position and capacity (based on the Annual Financial Statements of previous budget year)	Chief Financial Officer		25										

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	Review budget-related policies and set policy priorities for next 3 financial years	Chief Financial Officer	31											
	Determine the funding/revenue potentially available for next 3 years	Chief Financial Officer				10								
	Determine the likely financial outlook and identify changes to fiscal strategies	Chief Financial Officer					28							
	Refine funding policies; review tariff structures	Chief Financial Officer												29
	Evaluation of matters identified in IDP Assessment Report received from MEC: Local Government	IDP Coordinator									29			
	Determine any changes in the Socio-economic conditions & trends of Kannaland Municipality	Senior Management		27										
Consultation	Advertising a schedule of public meetings per ward	IDP Coordinator				17				15				
	Embarking on a public participation process via public meetings per ward to:	Executive Mayor Councillors								15		25		
	Provide feedback on progress of ward priorities	Senior Management												
	Presentation of IDP Review & Budget time schedule	Management												

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019												
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	Obtain input on community needs for the IDP Review process														
Strategy	Strategic Planning Session to conduct a mid-term review: Council's Strategic Objectives Assessment of the performance of implementation of Council's 5yr strategic plan (2012-2017 IDP)	Executive mayor Senior Managers						04	15						
	Prioritisation of development objectives, projects & programmes by Ward Committees: Facilitate a more inclusive consultation process for the prioritisation of ward projects/programmes	Ward Councillors Ward Committees IDP Coordinator Communication Officer			15	19				28		25			
	IDP Indaba 1 engagement Alignment of Strategic objectives of the municipality with that of the provincial and national government departments	Municipal Manager IDP Coordinator			15										
	District IDP Managers Forum Meeting	Eden District IDP Coordinator								23					
	Provincial IDP Managers Forum Meeting	Provincial Dept. of Local Government				15									

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
		IDP Coordinator												
	IDP INDABA 2 engagement: Identify projects & programmes which might need support/financial assistance from Government Referring of community issues which have been identified during IDP process but are not competencies of Local Government to the relevant National & Provincial Sector Departments Follow up on IDP Indaba agreements	Provincial Dept. of Local Government IDP Coordinator								26				
	Identification of new Capex/Opex projects & programmes culminating from the IDP Review Process	All departments								15		25		
	Prioritisation of internal & external Capex&Opex projects & Programmes	IDP & Budget Steering Committee										25		
	Workshop for the preparation of Adjustment Budget	Chief Financial Officer							22					
	Tabling & approval of Adjustment Budget (to be approved before 28 Feb)	Chief Financial Officer								28				

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019												
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
Integration	Workshop with Council to finalize: Draft IDP Review Draft Operational & Capital Budget	Executive Mayor Senior Management									23				
	Quarterly meetings of IDP & Budget Steering Committee	Executive Mayor CFO IDP Coordinator Municipal Manager				23			22		12	25			
	Preparation of draft IDP Review document	IDP Coordinator							15						
	Circulation of draft IDP Review document to all directorates for their input & comment	IDP Coordinator									25				
	Tabling of draft IDP Review & Budget to MAYCO	Municipal Manager CFO									31				
	Tabling of draft IDP Review & Budget to Council	Executive Mayor Council									31				
	Submission of tabled draft IDP Review & Budget to the MEC: Local Government, National & Provincial Treasury (Within 10 working days after tabling)	IDP Coordinator CFO										04			

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Consultation	Publishing of draft IDP Review & Budget (including proposed tariffs) for perusal and public comment	IDP Coordinator CFO										04		
	Embarking on a public participation process via public meetings per ward to obtain final input from stakeholders on the tabled draft IDP & Budget	Executive Mayor Councillors Senior Management										25		
	LGMTEC 3 engagement with Provincial & National Sector Departments to obtain input on the draft IDP Review & Budget	Provincial Department of Local Government										22		
	Incorporate notes and comment from MEC: Local Government & Provincial Treasury and DEA&DP on draft IDP Review & Budget	IDP Manager CFO										26		
Approval	Consideration of all submissions made by community subsequent to the public participation process of the draft IDP Review & Budget	IDP Manager CFO											16	

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019												
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	MAYCO meeting to consider the submissions and, if necessary, to adjust the draft IDP and Budget	Municipal Manager											21		
	Council workshop on draft IDP Review & Budget prior to adoption	CFO IDP Manager											22		
	Council meeting to adopt the final IDP Review & Annual Budget and the Performance Management measures and targets (At least 30 days before the start of the budget year)	Executive Mayor Municipal Manager Council											27		
	Management workshop to finalize the SDBIP's	Performance and Compliance Officer											02		
	Publish the adopted IDP Review & Budget with all budget related documents and policies on the municipal website	IDP Coordinator CFO											04		
	Submit a copy of the adopted IDP Review & Budget to the MEC: Local Government and Treasury (Within 10 working days after adoption)	IDP Coordinator CFO											04		
Finalization	Advertise a public notice of the adoption of the IDP	IDP Coordinator											04		

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY 2018 – JUNE 2019											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	Publish a summary of the IDP and Budget on municipal website	IDP Coordinator											04	
	Approval of the Service Delivery & Budget Implementation Plan (SDBIP) (within 28 days of approval of budget)	Executive Mayor												25

TABLE 60: IDP PROCESS





1.4 Provincial Integrated Development Plan Assessment comments

The importance of this assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). Provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring, oversight and support role to municipalities as stipulated in the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and Constitutional mandates. The Provincial Government engaged with management on 07 May 2018 where the key findings and recommendations of 2018/19 draft IDP was presented to address the shortcomings.

The LGMTEC report is listed as an annexure to be further inspected.

1.5 Status quo of critical internal transformation needs and service delivery development challenges:


The municipality has identified several challenges within the need of transformation, hence positive outcomes derived from intermediate changes. Below is the identified challenges and status quo thereof.

Challenges	Status	Intervention
Customer care and service orientation		<ul style="list-style-type: none"> Continuous implementation of the Batho Pele Developing and implementation of a Customer Care Policy / Framework Implementation of customer care electronic system
Skills development		<ul style="list-style-type: none"> Implementing a credible and cost effective organizational structure Complying with the Work Place Skills Plan Implementing Individual Performance management Development and training plans
Development of technical expertise		<ul style="list-style-type: none"> Training intervention Revisiting and implementing the retention policy
Ethical and moral conduct		<ul style="list-style-type: none"> Training to staff wrt the code of conduct

		<ul style="list-style-type: none"> • Anti-Corruption policy and programs
Financial constraints in terms of service delivery		<ul style="list-style-type: none"> • Submit business plans to fund critical projects • Eradication of backlogs • Short and medium planning to deliver services in all four wards
Financial sustainability		<ul style="list-style-type: none"> • Implementation of the financial recovery plan • Review and implementation of by laws in terms of tariffs • Review and implementation of the LED strategy in terms of improving and enhancing the economic profile of Kannaland

TABLE 1: INSTITUTIONAL CHALLENGES AND INTERVENTIONS

The Kannaland municipality identified the following development challenges measured towards the Key performance areas:

Key performance areas	Current Status	Strategic Intervention
Reliable Infrastructure and service delivery		<ul style="list-style-type: none"> • Addressing the Limited bulk water storage capacity in the municipal area in partnership with Department Of Water and Sanitation. • Addressing service delivery backlogs around electricity and bulk water infrastructure by applying for grant funding. • Addressing lagging infrastructural backlogs around roads, water and housing by applying for grant funding. • Developing ward-based profiles, which include social infrastructure backlogs in order to improve the quality of information available. • Securing water for the entire Kannaland. • Apply for a Dam in Ladismith – in process
Service Delivery		<ul style="list-style-type: none"> • Providing access to basic services • Reviewing of the indigent policy • Indigent awareness campaigns in all four wards • Attend to public priorities – Lead departments support
Safe Communities		<ul style="list-style-type: none"> • Secure funding for the K53 center

		<ul style="list-style-type: none"> • Development of an alien invasive management plan • Support from DEADP and relevant departments to introduce environmental programmes
Socio economic development		<ul style="list-style-type: none"> • Reviewing the LED strategy and SDF • Utilizing opportunities posed by Local Economic Development and tourism development. • Creating partnerships with local business and emerging business to promote revenue enhancement and collaboration around projects that can stimulate the local economy. • Harness municipal spending to promote local economic development. • Alcohol and Drug Abuse information sessions to communities to inform communities of the negative effect of these practices on development issues
Effective and efficient governance		<ul style="list-style-type: none"> • Communicating frequently, and more effectively, with the residents of the Kannaland Municipality through communication channels identified in the Communication Strategy. • Ensuring functioning of ward committees by giving effective administrative support. • Create a participative culture with the community through public participation processes and establishing relevant forums. • Ensure compliance with MFMA and statutory requirements in terms of committees
Efficient workforce		<ul style="list-style-type: none"> • Creating a sound environment in the HR department • Implementing a cost effective organizational structure • Adhere to compliance • Implementing individual performance management • Reviewing the job descriptions
Financial sustainability		<ul style="list-style-type: none"> • Securing government grants and other funding sources to attend to the mandate of effective service delivery. • Ensure the financial viability of the municipality through sound fiscal management, revenue enhancement and improvement on audit opinions expressed by the Auditor General. • Increase the payment rate of service accounts.

1.6 Inter-Governmental Relations and Policy Alignment

1.6.1 Sustainable Development Goals

The Sustainable Development Goals (SDGs), officially known as transforming our world: the 2030 Agenda for Sustainable Development is a set of seventeen aspirational "Global Goals" with 169 targets between them. Spearheaded by the United Nations, through a deliberative process involving its 193 Member States as well as global civil society, the goals are contained in paragraph 54 of United Nations Resolution A/RES/70/1 of 25 September 2015. They are integrated and indivisible and balance the three dimensions of sustainable development: the economic, social and environmental.



FIGURE 2: 2016 SUSTAINABLE DEVELOPMENT

1.6.2 The Millennium Developmental Goals



In 2000, 189 nations including South Africa made a promise to free people from extreme poverty and multiple deprivations.

The MDGs focus on three main areas of human development which are encouraging human capital, improving infrastructure and increasing social, economic and political rights. If these goals are achieved, world poverty will be reduced, lives will be saved, and people will have the opportunity to benefit from the global economy.

1.6.3 National Development Plan (NDP) –Vision for 2030

The Vision statement of the National Development Plan (NDP) aims to change the lives of millions of people in South Africa by eliminating poverty and reducing inequality by 2030. The President appointed a National Planning Commission in May 2010 to draft a vision and plan for the country. On 9 June 2011 the Commission released a diagnostic document and elements of a vision

statement. On 11 November 2011 the vision statement and the plan was released for consideration. The Commission consulted widely on the draft plan. The National Development Plan was handed to President Zuma in August 2012 and was adopted by Cabinet in September 2012.



An approach to change is set out depicting a clear link between capabilities, opportunities and employment on social and living conditions. It shows how leadership, an active citizenry and effective government can help drive development in a socially cohesive environment.

The 2030 plan is summarized as follows:

By 2030:

- Eliminate income poverty – Reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39% to zero.
- Reduce inequality – The Gini coefficient should fall from 0.69 to 0.6.

Enabling milestones:

- Increase employment from 13 million in 2010 to 24 million in 2030.
 - Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
 - Increase the share of national income of the bottom 40% from 6% to 10%.
 - Establish a competitive base of infrastructure, human resources and regulatory frameworks.
 - Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Integrated Development Plan for 2017 - 2022 23
- Broaden ownership of assets to historically disadvantaged groups.
 - Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
 - Provide affordable access to quality health care while promoting health and wellbeing.
 - Establish effective, safe and affordable public transport.
 - Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
 - Ensure that all South Africans have access to clean running water in their homes.
 - Make high-speed broadband internet universally available at competitive prices.
 - Realise a food trade surplus, with one-third produced by small-scale farmers or households.

- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity. Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

Critical actions:

- A social compact to reduce poverty and inequality, and raise employment and investment.
- A strategy to address poverty and its impacts by broadening access to employment,
- Strengthening the social wage, improving public transport and raising rural incomes.
- Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.
- Boost private investment in labor-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- An education accountability chain, with lines of responsibility from state to classroom.
- Phase in national health insurance, with a focus on upgrading public health facilities,
- Producing more health professionals and reducing the relative cost of private health care.
- Public infrastructure investment at 10% of gross domestic product (GDP) financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- Interventions to ensure environmental sustainability and resilience to future shocks.
- New spatial norms and standards upgrading informal settlements and fixing housing market gaps.
- Reduce crime by strengthening criminal justice and improving community environments.

Government's targets for 2030 are as follows:

1. Create 11 million more jobs by 2030.
2. Expand Infrastructure.
3. Transition to a low-carbon.
4. Transform urban and rural spaces.
5. Education and Training.
6. Provide Quality Health Care.
7. Build Capable State.
8. Fight Corruption.
9. Transformation and Unity.



1.6.4 National Government Outcomes

National Government has agreed on 12 outcomes as a key focus of work. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of Performance Agreements between the President and relevant Ministers.

Kannaland Municipality strives toward aligning its Strategic objectives to these 12 outcomes:

Outcome 1: Improve the quality of basic education.

Outcome 2: Improve health and life expectancy.

Outcome 3: All people in South Africa protected and feel safe.

Outcome 4: Decent employment through inclusive growth.

Outcome 5: A skilled and capable workforce to support inclusive growth.

Outcome 6: An efficient, competitive and responsive economic infrastructure network.

Outcome 7: Vibrant, equitable and sustainable rural communities and food security.

Outcome 8: Sustainable human settlements and improved quality of household life.

Outcome 9: A responsive, accountable, effective and efficient local government system.

Outcome 10: Protection and enhancement of environmental assets and natural resources.

Outcome 11: A better South Africa, a better and safer Africa and world.

Outcome 12: A development-orientated public service and inclusive citizenship.

1.6.5 Provincial Government Western Cape - Provincial Strategic Objectives

The Provincial Government of the Western Cape (PGWC) published the Draft Strategic Plan with the title “Delivering the open opportunity society for all”.

This Plan puts forward the following 12 Strategic Objectives:

1. Creating opportunities for growth and jobs
2. Improving education outcomes
3. Increasing access to safe and efficient transport
4. Increasing wellness
5. Increasing safety
6. Developing integrated and sustainable human settlements
7. Mainstreaming sustainability and optimising resource-use efficiency
8. Increasing social cohesion
9. Reducing poverty

10. Intergrading service delivery for maximum impact
11. Creating opportunities for growth and development in rural areas
12. Building the best-run regional government in the world

1.6.6 Eden District Municipality's Strategic Goals

The Eden district Municipality has identified seven (7) strategic goals that are essential for realising their vision and mission and which contribute to the achievement of their long term vision beyond this 5 year IDP. Each of the goals below is supported by several more specific and measurable objectives.

- 1 Healthy and socially stable communities
- 2 Build a capacitated workforce and communities
- 3 Conduct regional bulk infrastructure planning & implement projects, roads maintenance and public transport; manage and develop council fixed assets
- 4 Promote sustainable environmental management and public safety
- 5 Promote good governance
- 6 Ensure financial viability of the Eden District Municipality
- 7 Grow the district economy

1.6.7 Kannaland Municipality's Key Performance Areas (Strategic Objectives)

Kannaland Municipality developed goals, objectives and strategies that are aligned with some of these outcomes however, achieving the outcomes remain a challenge. Effective intergovernmental relations stand in the way of achieving the challenge posed by historical mediocre performance of government departments to achieve outcomes developed on paper. National outcome 9 in particular provides the space for local government to improve its functioning so as to ensure an accountable, responsive, effective and efficient local government system. Achieving outcome 9 will restore the confidence of citizens in the local government sphere as well as improve performance and professionalism and strengthen partnerships between local government, communities and civil society.

Taking into consideration political, national, and provincial and district policies, Kannaland Municipality adopted the following seven (7) Key Performance Area's:

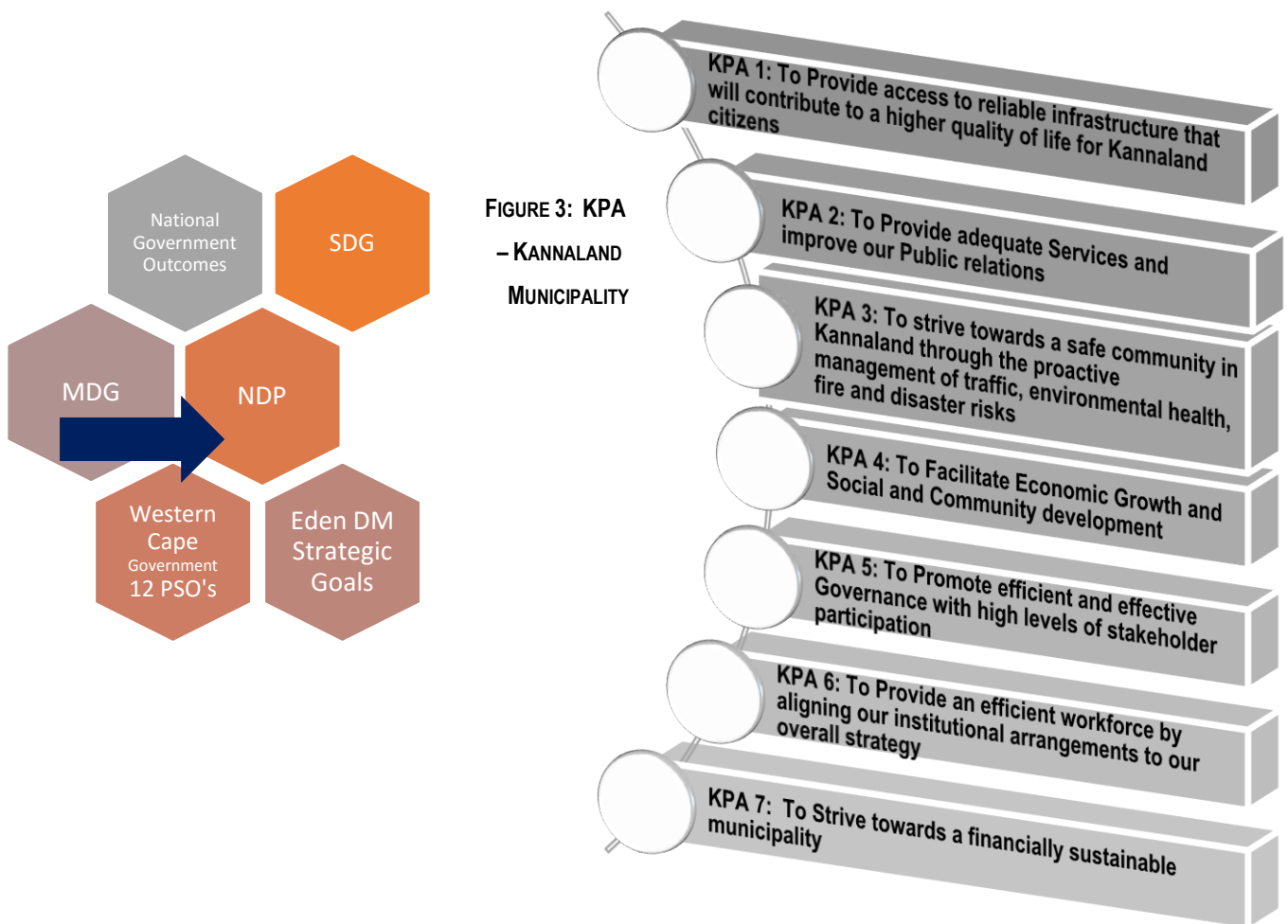


FIGURE 3: KPA
– KANNALAND
MUNICIPALITY

1.6.8 Horizontal Policy Alignment

The table below illustrates the alignment of the strategic objectives of Kannaland Municipality with the objectives of the National Development Plan. The aim is to align programmes/projects which the municipality tends to achieve:

Kannaland Objectives	Eden District Objectives	PSO	NDP Objectives / Outcomes
KPA1: To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	Conduct regional bulk infrastructure planning & implement projects, roads maintenance and public transport; manage and develop council fixed assets (3)	Developing integrated and sustainable human settlements (6)	Outcome 6: Efficient, competitive and responsive economic infrastructure network
KPA2: To provide adequate Services and improve our Public relations		Increasing wellness (4) Integrating service delivery for maximum impact (10)	Outcome 2: Improve health and life expectancy
KPA3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	Promote sustainable environmental management and public safety (4)	Increasing access to safe and efficient transport (3) Increase safety (5)	Outcome 2: Improve health and life expectancy Outcome 3: All people in South Africa protected and feel safe Outcome 7: Vibrant, equitable and sustainable rural communities and food security Outcome 10: Protection and enhancement of environmental assets and natural resources Outcome 11: A better South Africa, a better and safer Africa and world
KPA4: To facilitate Economic Growth and Social and Community development	Grow the district economy (7)	Creating opportunities for growth and jobs (1)	Outcome 1: Improve the quality of basic education.

Kannaland Objectives	Eden District Objectives	PSO	NDP Objectives / Outcomes
	Healthy and socially stable communities (1)	Improve education outcomes (2) Developing integrated and sustainable human settlements (6) Increasing social cohesion (8) Reducing poverty (9) Creating opportunities for growth and development in rural areas (11)	Outcome 4: Decent employment through inclusive growth Outcome 6: Efficient, competitive and responsive economic infrastructure network Outcome 8: Sustainable human settlements and improved quality of household life. Outcome 7: Vibrant, equitable and sustainable rural communities and food security
KPA5: To promote efficient and effective Governance with high levels of stakeholder participation	Promote good governance (5)	Building the best-run regional government in the world (12)	Outcome 9: A responsive and, accountable, effective and efficient local government system Outcome 12: A development-orientated public service and inclusive citizenship
KPA 6: To provide an efficient workforce by aligning our institutional arrangements to our overall strategy	Build a capacitated workforce and communities (2)	Mainstreaming sustainability and optimising resource-use efficiency (7)	Outcome 5: A skilled and capable workforce to support inclusive growth
KPA 7: To strive towards a financially sustainable municipality	Ensure financial viability of the Eden district municipality (6)	Building the best-run regional government in the world (12)	Outcome 9: A responsive and, accountable, effective and efficient local government system

TABLE 2: STRATEGIC ALIGNMENT

1.6.9 Kannaland contribution to the National Development Plan

NDP chapter 3: Economy and development

- ✓ This objective communicates the strategy of implementing the National Government's public works programmes with which Kannaland aligns through the implementation of its Expanded Public Works Programme (EPWP).

NDP chapter 4: Economic infrastructure

- ✓ This objective relates to that which is required to enable economic development such as the provision and sustainability of services such as water, electricity and public transport. To achieve this, the Kannaland Municipality strives towards well maintained water, sanitation, and waste and electricity infrastructure.

NDP chapter 5: Environmental sustainability and resilience

- ✓ This objective also relates to National Government's public employment programmes. Kannaland aligns through the implementation of the Expanded Public Works Programme (EPWP).

NDP chapter 6: Inclusive rural economy

- ✓ The Kannaland Municipality has developed, in partnership with the Provincial Government, an Integrated Rural Development Plan for the Municipality.

NDP chapter 8: Transforming human settlements

- ✓ This objective relates to how municipalities should spatially establish integrated human settlements. The Kannaland responds through the implementation of its HSP.

NDP chapter 9: Improving education, training and innovation

- ✓ This objective at improving childhood development (ECD), and artisans' development. For this planning cycle, Kannaland will support women and child health services, family planning and immunization and targeted ECD programmes.

NDP chapter 10

- ✓ **Healthcare for all:** This objective relates to access to primary healthcare by improving tuberculosis (TB) prevention and cure, reducing maternal, infant and child mortality, and reducing injury, accidents and violence.

NDP chapter 12: Building safer communities

- ✓ This objective relates to the need for all people, especially women and children, to feel safe at home, school and work, free of fear. Kannaland actively supports this through awareness and its Ward Committee system.

NDP chapter 13: Building a capable and developmental state

This objective relates to the state playing a developmental and transformative role. It requires that staff at all levels should be competent, experienced and ability to do their jobs, and that intergovernmental relations should be managed better. Kannaland will use the Workplace Skills Plan to implement a human resources, talent management and skills develop



1.7 Inter-Governmental Cooperation

The municipality fosters relations with other spheres of government and participates in various intergovernmental activities to promote a closer working relationship between the various spheres of government which will certainly act as a catalyst in advancing the agenda to create a stable governance structure, promote financial sustainability and service delivery through infrastructure, housing and other services.

1.7.1 Regional and Provincial platforms

Kannaland Municipality used a number of mechanisms to continuously communicate the processes with the development and when and how the implementation of the IDP operates. These mechanisms are also used for current and future planning to obtain input in developing a strategy for the municipal area. In preparation for this final IDP, the municipality held the following engagements which are a continuous process.

ENGAGEMENTS	
Council Meetings which is open to the public	Bi-Monthly
IDP Indabas 1	Annually
MinMay	Quarterly
MinMay Tech	Quarterly
District Coordinating Forum	Quarterly
MGRO 1 & 2	Annually
Back to Basics Engagements	Quarterly
Human Settlement Engagements	Quarterly
Water and Sanitation Forum	Quarterly
Kannaland Municipality public participation meetings	Quarterly
Provincial and District IDP forums	Quarterly
ICT Managers Forum	Quarterly
SCM Forum	Quarterly
Premiers Coordinating Forum	Quarterly
Council feedback meetings	Quarterly
Zoar Community Integrated platform	As per scheduled by project leaders

TABLE 3: SECTOR ENGAGEMENTS

For this elected term the aim will to enhance intergovernmental relations by mobilizing resources and strategic partnerships which will ensure co-ordination of service delivery by all departments to the citizens to gain a better and healthy quality of life.

The desired outcome of inter-governmental cooperation as previously mentioned is to:

- strengthen good governance;
- addressing the needs of the poor by introducing programs to the community which will boost entrepreneurship skills eg. Food gardening ect.
- coordinate and managing all municipal relationships with other spheres of government;
- ensure that there is a strong link between departments internally and the two spheres of government (National and Provincial);
- facilitate information and knowledge sharing through inter-municipal cooperation (steering committees);
- To build managerial and technical capacity (through study tours, exchange programmes, seminars and conferences);
- To develop project partnerships with other government departments for mutual benefit;
- To create employment through the public works programmes;
- To focus on supporting the successful implementation of the strategic priorities;
- To ensure that there is monitoring and alignment of municipal budgets and IDP implementation with provincial and national government departments;
- Coordinating and aligning all events that involve other spheres of government – e.g. national days, Imbizo's, etc.
- Promoting efficient lines of communication and between the municipality and other spheres of government;

1.7.2 Public Participation sessions

The process was informed by -community based planning which resulted in prioritising the needs of the community; an analysis of the current status of service delivery and the environment; and various stakeholder engagements.

The municipality has clearly demonstrated its effort to promote participative democracy in the developing of its by-laws, planning applications as well as other planning processes

The purpose of this initial round of public participation was:

- To discuss the process to be followed for the outer financial years
- To consult on the content for the IDP review and what components of the IDP should be reviewed
- Identify the current needs per ward and how the prioritisation will take place

The socio-economic conditions and character of the four towns of Kannaland and settlements are distinctly different, resulting in their expectations from the budget and service delivery priorities being diverse. This variety and service delivery backlogs in some areas were duly considered in the IDP Review. The public participation process was characterized by active participation by all sectors of society and again highlighted the fact that the expectations from communities are very high in terms of service delivery, infrastructure development and other development challenges considering the limited resources available to the municipality.

Effective partnerships with communities, other spheres of government and the private sector are essential to deliver on this expectation adequately. The inputs received from the various stakeholders during the IDP review process, were refined and duly incorporated into this document with the sole intention to inform the budget and other development priorities of the municipality. Some of the participants got the opportunity to identify solutions for the challenges to ensure that they take responsibility of their own development.

Furthermore a great portion of the community also raised a number of issues that were not necessarily competencies of local government and those will be referred to the respective government departments via the IDP Indaba and other relevant IGR structures.

The ward committees comprise geographical as well as sector representatives in communities and are regarded as the statutory consultative forums in the public participation process of the IDP review. The respective ward councillor is automatically the chairperson of the ward committee and quarterly meetings keep the community informed of all municipal related matters. It is also obligatory on ward committee members to regularly interact with their communities and ensure maximum participation in all planning processes of Kannaland Municipality.

The ward committees played a significant role in this round of IDP review to ensure that the broader public participates and prioritised the basic needs and development requirements in the different wards.

These engagements certainly enlighten the importance of the ward committee members role and responsibility as well to enhance accountability to the areas they represent in their respective wards. Ward Committee members had comprehensive training in respect of the IDP and budget processes and will certainly be more equipped to make meaningful input and ensure that the priority issues of communities are reflected in the IDP and Budget.

Representatives from sectors which are not necessarily represented on the ward committees are also invited to the prioritization workshops to ensure that the interest of their sectors is duly considered.

The Kannaland Municipality has established a ward committee system which will be actively involved in the mobilising process as well the IDP and budget related processes for the next reviews. In the following wards depicted below in the table for the 2017-2022 financial term:

Ward 1 Ladismith: Nissenville	Ward 2: Calitzdorp
Ms. Elizabeth Jacobs	Ms. Emilene Hess
Ms. Carol Hendricks	Ms. Fransiena Quantini
Past. Melanie Ayslie	Mr Mike Neebe
Past. Hendrik Rademeyer	Mr Moos Arnoldus
Mr Johannes Ruiters	Mr Monolito Pieterse
Ms. Gloria Douwries	Mrs Bettie Mcolillon
Ms. Brumilda Januarie	Mrs. Quinta Valentyn
Mrs. Hilda van Eick	Mr Andrew Baartman
Mr. Dawid Rooi	Mrs Sophia Roman
Mr. J Cedras	Mr Gert Uithaler
Ward 3: Zoar	Ward 4: Ladismith / Van Wyksdorp
Mr. Tsodinyane Jacob Nkokou	Vacant
Vacant	Mr Jonathan Jantjies
Vacant	Mrs Regina Carolus

Ms Manoline Willemse	Mrs Nerina Lochner
Ms. Leslene De Jongh	Mrs Maria Herdien
Mr. Allister Reizenberg	Vacant
Ms. Elize Booysen	Mr Edward Adcock
Ms. Carol Hess	Vacant
Ms. Rina Hector	Mrs. Elsa le Grange
Mrs. Diane Hardien	Mr Ivan Januarie

TABLE 4: WARD COMMITTEE MEMBERS

1.7.3 Public Needs Analysis

Throughout the stakeholder meetings, public hearings and other interactions, various needs were identified and will be clustered below in the form of the Key performance areas:

KPA	REQUESTS	WARD
Infrastructure and Basic Service Delivery	Repairs & Maintenance included requests for the upgrades of roads, rehabilitation of community facilities like halls and parks, fixing of potholes, building of speed humps, attending to sewage blockages, repairing of burst water pipes, repairs to RDP houses where roofs are leaking	1,2,3,4
	Requests for roads predominantly centred around the building of new roads, link roads, access roads, and tarred roads where there have never been roads constructed before	1,2,3,4
	Renewable energy supplies needs to be considered, including but not limited to: solar, wind, and hydro power	3,4
	Request for halls and community centres focussed on the construction of new halls and community centres, which are multi-purpose in nature, in order to enhance community development through social cohesion.	3,4
	Housing requests include the request for RDP houses and houses in general.	1,2,3,4
	Upgrading or new construction of old infrastructure (water, sanitation and electricity)	
	Ensuring proper lighting be placed in order to reduce crime	1,2,3,4
	Current and new establishment of sport fields – netball, rugby, hockey and soccer fields	1,2,3,4

	Ensuring all informal settlement areas be equipped with basic services	1,2,3,4
	Multi-Purpose Centre in Zoar and Calitzdorp	
	Implementation of Advanced Waste Management Systems that reflect community values around waste minimisation.	1,4
	Recovery, re-use and recycling of waste is maximised. The volume of waste disposed to landfill is minimised. Life spans of landfill sites are extended.	1,4
Local Economic Development	Seamless movement of people, goods, and services in and around the town	1,2,3,4
	Community must be supported with programs for self-empowerment and job creation projects for example Guest houses	
	Economic growth leading to the creation of decent jobs.	1,2,3,4
	People connect virtually through high-speed information and communication technology. Reliable telecommunications networks provide access to learning and information opportunities in homes, schools, and workplaces. Business and industry embrace high-speed broadband networks to become more productive and innovative. Energy efficiency is promoted by telecommuting.	2,4
Good Governance	Communities wanted to be informed about the IDP process, to be involved in the budget process, for ward committees to be established, for the Municipality to strengthen relationships between communities and their councillors. It also included the issue of youth development, job creation, training and skills development, small business establishment, building of libraries, & other aspects in order to strengthen the economy.	3,4
Safe environment	Foot bridge in Zoar – Current sports field	3
	Establishment of speed cameras in all four towns	1,2,3,4
	Three way stop at the entrance of Calitzdorp	2
	Law enforcement be strengthen in all four towns	2
	Taxi rank with toilets in Calitzdorp	2
	Medical centre for Van Wyksdorp and Zoar <ul style="list-style-type: none"> Current medical facility in Calitzdorp be expanded Current clinic in Ladismith be expanded and a new clinic be built in central Ladismith 	3,4

	Social infrastructure supports healthy lifestyles, learning opportunities, and community unity and social cohesion. Health infrastructure is readily available and meets community needs. Major recreational infrastructure (eg. sports stadium, cultural facilities, etc.)	1,2,3,4
	Urban renewal and greening is recognised by communities and the business group as contributing to environmental and ecological sustainability, as well as supporting future residential, commercial, and industrial development	4
	Tree planting and paving of street blocks	
	Upgrading of the swimming pools	1,2
Financial Viability	Training or replacement programme for incumbent to do the municipal accounts and enquiries	1,2,3,4
	Re-look the tariffs on the current budget	1,2,3,4
	Needs to budget for repairs and maintenance more and not on sportsfields (that can be done once the basics is covered)	

Below is the main key issues which were communicated to us at the public meetings, relevant stakeholder meetings per ward:

WARDS	CONCERNS
Ward 1	There is a shortage of proper traffic calming measure motoring
	Lightning at the entrance of Sakkies Baai and dark areas – High mass lights
	The need for recreational facilities for tourists and the community of Kannaland
	Promote our small business to establish tourism activities in Ward 1 – guest houses and back packers, resident routing
	Opportune the youth and informal business owners to register as a proper business and to transfer skills to others
	Investigate the housing (GAP) to be finalized as per the HSP
	Paving of the internal roads of Nissenville and informal areas with storm water services as well planting trees.
	The CWP must be managed better. All the workers cannot just pick up garbage.
	Establishment of youth centre in Nissenville
	The need for proper lightning in informal areas.
	Establishment of more recreational parks in Nissenville – Identified open land

WARDS	CONCERNS
Ward 2	Paving of the Bergsig area roads
	Promoting the youth through development programmes – youth cafes
	Promote tourism in the area – Assisting the tourism offices with needs as per requested
	Helping the tourism bureau with financial support – festivals and campaigns
	Ensure that law enforcement be implemented in Calitzdorp
	The current medical facility needs to be expanded and clustered into groups (health)
	A big tourism board needs to be placed at the entrance and exit of Calitzdorp to indicate all the activities and attractions.
	Mobile medical care needs to be mobilise to rural areas (farms) more efficiently
	The DOH needs to consider to place more medical staff at the current facility.
Ward 3	There is a critical shortage of land for small farming initiatives (crops and livestock),
	The future use of under-utilized commonages and the need for an Agricultural Strategy,
	The leadership must lead responsibly, be certain that enough is being done and that development is in fact taking place,
	The transformation of Amalienstein farm and surrounding Zoar needs to be fast tracked
	Assets being acquired for the Ward,
	Fast tracking of the building of a Model C school (centralized)
	Strengthen the partnership with SAPS to create a more safe and clean town – Neighbouring watch needs to be placed in Zoar
	Establishing a FAS centre in Zoar
	The community of Zoar needs to more technological connected – By establishing youth café's
	Skilling and capacitating the Youth, as opposed to the use of Consultants,
	Critical intervention is required for the Ward's cemeteries – it must be clearly indicated where the cemetery is located and road signs be placed at the entrance of the area.
	Stringent measures to curb the illegal littering and dumping were required,
	A new Clinic with extended health services was a critical need,
	Ablution and other facilities had to be provided at the new sports field, Abandoned and vandalized buildings are a serious health and safety hazard, as are the overgrown open spaces – harbouring criminal elements and allegedly used for satanic rituals; the

WARDS	CONCERNS
	Municipality must obtain an order to have them demolished and overgrown areas must be cleared to improve safety of pedestrians,
	Recreational activities needs to be introduced
	Housing and water quality needs to be re-looked urgently
	The water storage capacity problem needs to be attended to by building a dam (drinking and irrigation water)
	Paving of internal roads: <ul style="list-style-type: none"> ✓ Protea Park – A paved circle needs to be placed at 5th avenue where it links to 9th avenue ✓ Paving of the entire Protea Park and the part of Braklaagte with the following streets: <ul style="list-style-type: none"> • Malva Street • Gousblom Avenue • Daisy Avenue • Vygie Avenue • Bloekomlaan
Ward 4	Indigent support be provided to residents in Van Wyksdorp
	Proper lighting throughout the entire town <ul style="list-style-type: none"> • Entrance from the R62 needs to be equipped with lighting as accidents volume is high on the road
	Entrance from the R62 up an till VWD needs to be tarred
	SDF needs to be refined as VWD has a vast area for tourism and business expansion which create job opportunities
	Municipal accounts needs to be re-looked and investigated and properly communicated to the community
	Lightning in surrounded farms is inadequate as well the road conditions
	The municipality needs to do an assessment which included the owners of the land on the R62, wine vineyards ect to consider attraction points for tourists as well enhancement of income and job opportunities
	The tourism master plan/strategy needs to be in place
	Roads needs to be upgraded and proper management and maintenance be put in place

WARDS	CONCERNS
	<ul style="list-style-type: none"> High volume as well low volume needs to be identified where to pave and tarred and the trucks needs to be informed where to drive or not (via weighbridge)
	Air quality management needs to be managed more frequently with regards to pollution
	The hiking trails: Die liggie, towerkop and waterkloof area needs to be cleaned up and properly managed
	The caravan park and swimming pool needs to be re-developed in a housing complex or tourist attraction and be management more strictly.
	Consider to sell or lease old buildings (In die Bos area) for the development of an auto motor business
	The municipality needs to partner with the community in a clean our town campaign
	The waterkloof route needs be kept clean as well the maintenance of the “Die Liggie” hiking trial.
	Land to be identified for Recreational parks in Town. The caravan park needs to be upgraded and better managed.

TABLE 5: IDP PRIORITIES

Generic needs for all four ward were:

- Maintenance of infrastructure and proper supervision of workers and the quality of their work had to be stepped up,
- It was suggested that the Municipality utilize the EPWP for starting a campaign throughout Kannaland – Keep our Town clean,
- Sport & Recreation Facilities could also be linked to EPWP, or applications for Lotto funding – specifically for the purpose of Youth Development,
- The EPWP and CWP should be re-launched so that the general public could have a clearer understanding of the concept and process; these programmes should also be linked to the Integrated Waste Management of the Municipality,
- Liaise with DEADP for environmental projects or programmes to eradicate the alien invasive species,
- More regular meetings must be held in the Ward and communication to be improved,
- Response time to complaints required improvement; the prepaid electricity vending station issue must be resolved,

- Some public toilets in town were not being managed properly (this was problematic for pension and grant beneficiaries, who have to spend long hours on pay-days),
- Local Economic Development (LED) and Special Programmes needs to be stepped up,
- Food Security projects should be supported; land and water to be provided for this purpose,
- The Ward Development Priorities be reprioritized, with regards to Roads & Storm water, upgrading of ageing and ailing Infrastructure, and then Waste Management (including the implementation of more stringent measures to address the illegal dumping and littering).
- Steps must be taken to improve the Ward's economic participation.



Part B:

Municipal socio economic profile

Contextual analysis

Trends

Demographics

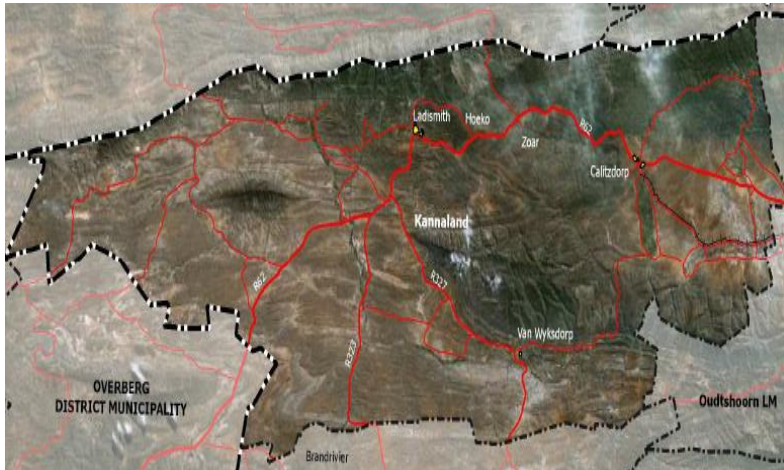
Economic analysis

Spatial and environmental analysis

Thusong services

Chapter 2 – Municipal Socio Economic Profile

2.1 Contextualize Analysis



Kannaland Local Municipality is a Category B Municipality situated in the Western Cape Province, 325 kilometres from Cape Town. The municipality covers an area of 4, 758 square kilometres in the Little Karoo, stretching from the Swartberg in the north to the Langeberg in the south, and from the Anysberg in the west to the Gamkaberg in the east. It is drained

by the Groot River and the Gourits River. It borders on the Kannaland and Prince Albert municipalities to the north, the Oudtshoorn Municipality to the east, the Hessequa Municipality to the south and the Swellendam and Langeberg Municipalities to the west.

According to the 2015 Socio-Economic analysis of the municipality has a population of 25, 094 people in 6, 749 households. The 2011 Census reported that 84.6 per cent describe themselves as "Coloured", 9.9 per cent as "White", and 4.7 per cent as "Black African". The first language of 95.4 per cent of the population is Afrikaans, while 2.5 per cent speak English.

The largest town and also the location of the municipal headquarters is Ladismith, which as of 2011 has a population of 7, 127. Ladismith is at the foot of the Swartberg Mountains, as is Zoar (population 4, 659) and Calitzdorp (population 4, 284) to the east. Vanwyksdorp (population 833) is further south in the valley of the Groot River.

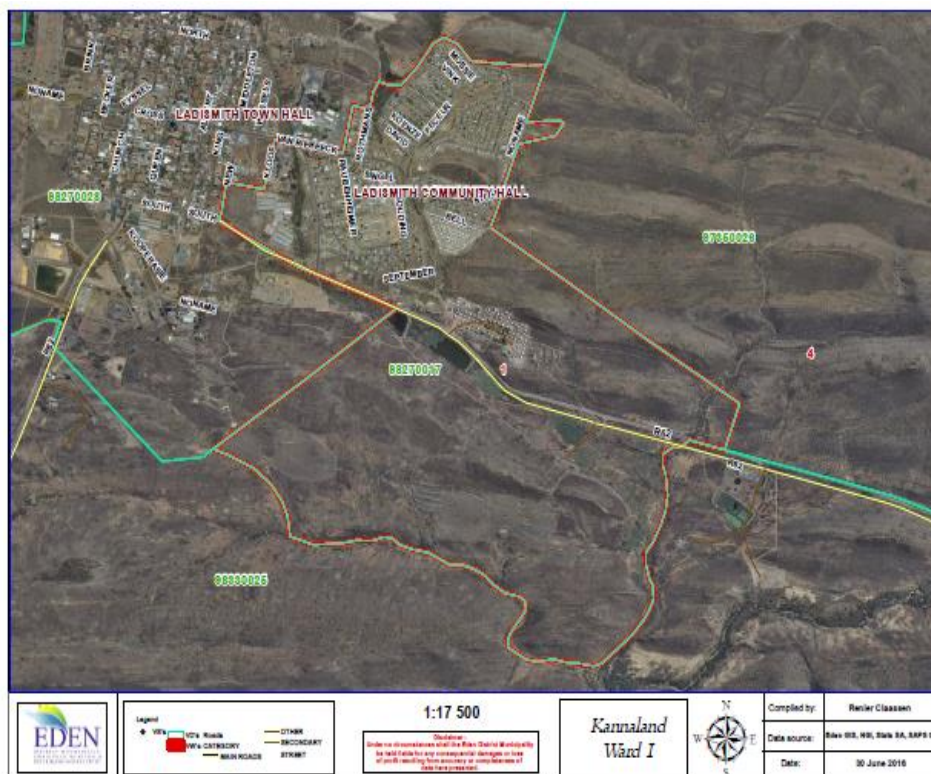
The Kannaland Local Municipality is situated within the Eden District Municipality which lies in the Western Cape Province. The main urban areas within the Kannaland Municipality are clustered in the following ward with their characteristics and analysis of constraints and opportunities:

NISSENVILLE
TAVERN

Golding / Peceur Streets node requiring tree planting and upgrading

Remainder Street in background with serviced undeveloped even along September street in foreground

Van Riebeeck Street showing need for continuous colonnades and tree planting to retain and enhance urban quality



Constraints

Road infrastructure is poorly developed and unsurfaced.

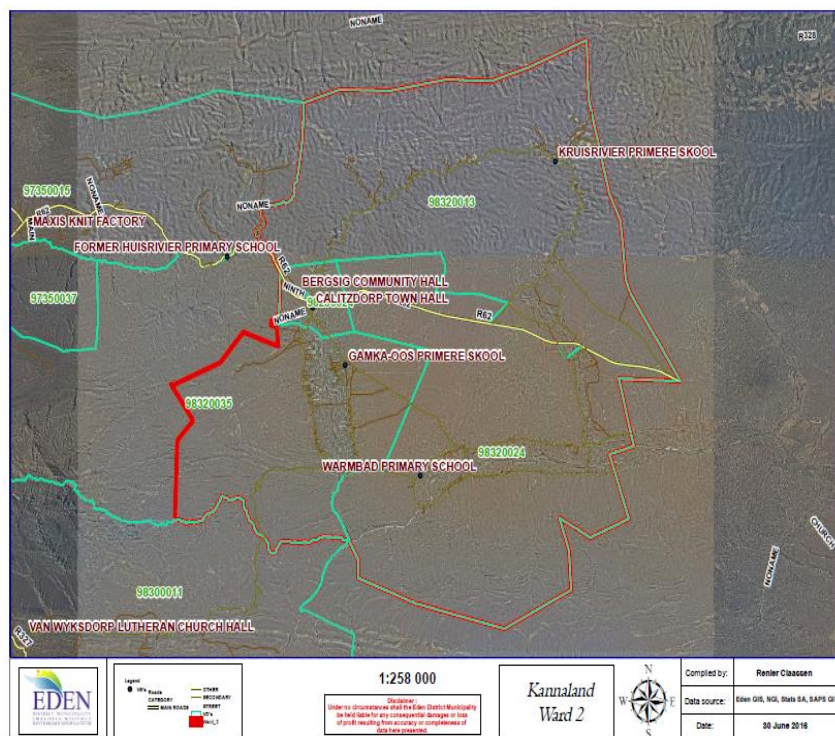
Poorly LED opportunities for smme's

The relatively under-developed area of bulk infrastructure.

Lack of tourism and economic interventions

Opportunities

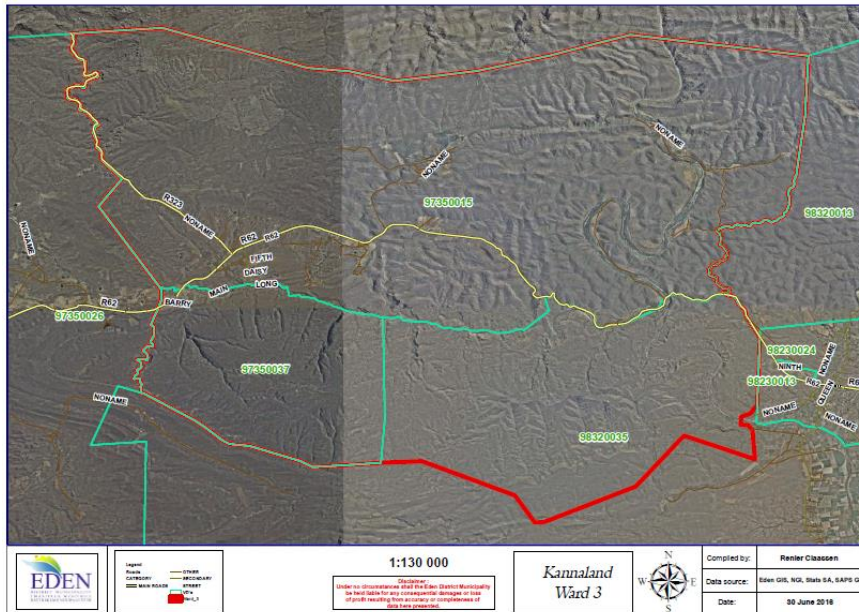
- A fresh water ecologist should determine the river corridor set-back lines for urban development and intensive agriculture opportunities
- Open land for housing opportunities
- Maintain existing tree lines and extend road side tree planting along major routes in Nissenville including Van Riebeeck Road east, Remainder Street to R62, and September, Golding, David and Peceur Streets.
- Open parks can be established through the spatial planning process

Ward 2 - Calitzdorp:

Calitzdorp is an agricultural service centre serving the needs of the surrounding agricultural areas. The town is known as the “Port wine capital” of South Africa. Tourism plays a significant role mainly due to the town’s location on the R62 tourism route. The town is located in the central eastern parts of the municipality.

Constraints	Opportunities
Poorly internal roads	Historical and heritage resources; Well-developed tourism business corridor Exposure to the R62 tourism route
Tourism to be better implemented	
Funding to secure aging infrastructure	
Lack of job opportunities	



Ward 3 - Zoar:

Zoar, originally a mission station, is a dispersed rural settlement. The town is located between Ladismith and Calitzdorp on the R62. Large sections of land are proclaimed in terms of The Rural Areas Act (Act 9 of 1987) and have remained undeveloped. Amalienstein forms part of Zoar and established as a Lutheran Mission Station. Development here comprises of a restored church building, historical graveyard and farm buildings.



Constraints	Opportunities
Water security	<ul style="list-style-type: none"> Scenic routes for self-drive and guided tours, especially Seweweekspoort, R62, R327 and district road from Ladismith to Calitzdorp via Van Wyksdorp; Potential mission route and cultural tourism opportunities including Lutheran mission complex and church in Ladismith, SA Mission society church in Zoar and Berlin Mission Society church in Amalienstein; Zoar as potential cultural tourism centre along Hoof Street with B&Bs and cafes
Lack of proper housing	
Led opportunities	
Dispersed location of the various agri industrial sites	
The topography, river corridor and agricultural resources are limit to development opportunities	



and Amalienstein mission as termination of Seweweekspoort pass;

- Existing agri-industrial activities provides job opportunities for the local community;
- Rural character and setting of the settlement;
- Valuable agricultural resources.

Ward 4

Van Wyksdorp is a small and isolated rural village situated along the R327 in the south of the Kannaland Municipality. The town is popular among residents for its rural character.



Hoeko: Hoeko is situated approximately 15km east of Ladismith and is a rural settlement. CJ Langenhoven, a famous South Africa writer, most famous for composing the South African Anthem “Die Stem”, was born here in 1873. The town has some tourism significance (i.e. a water monument) and is known for the production of apricots.

Constraints	Opportunities
Lack of water storage capacity	Scenic routes for self-drive and guided tours
More houses to be constructed	Well-developed tourism business corridor
Lack of maintenance of roads	Building of dams

2.2 Trends

When considering the global context within which South African municipalities functions, trends show that the major drivers of economic growth in the next 15 years will be in larger towns and mid-size cities. Effective planning and policies are needed for to plan for this growth to ensure that urbanisation and economic development to complement each other.

There is remarkable potential for growth in South Africa and the Western Cape in particular. Kannaland is ideally located to be the central hub for growth in the Klein-Karoo, especially in respect of agriculture processing and regional agricultural services wishing to expand to this region. In an increasingly competitive world, the only way Kannaland will be able to share in exponential growth from neighbouring regions is by building on its strengths, and ensuring it does not misappropriate resources in support of investments that will not be competitive into the future.

With respect to global challenges such as global warming and climate change, Kannaland can also play a role with adaptation and mitigation strategies, to meeting global environmental quality goals (such as reducing carbon emissions).

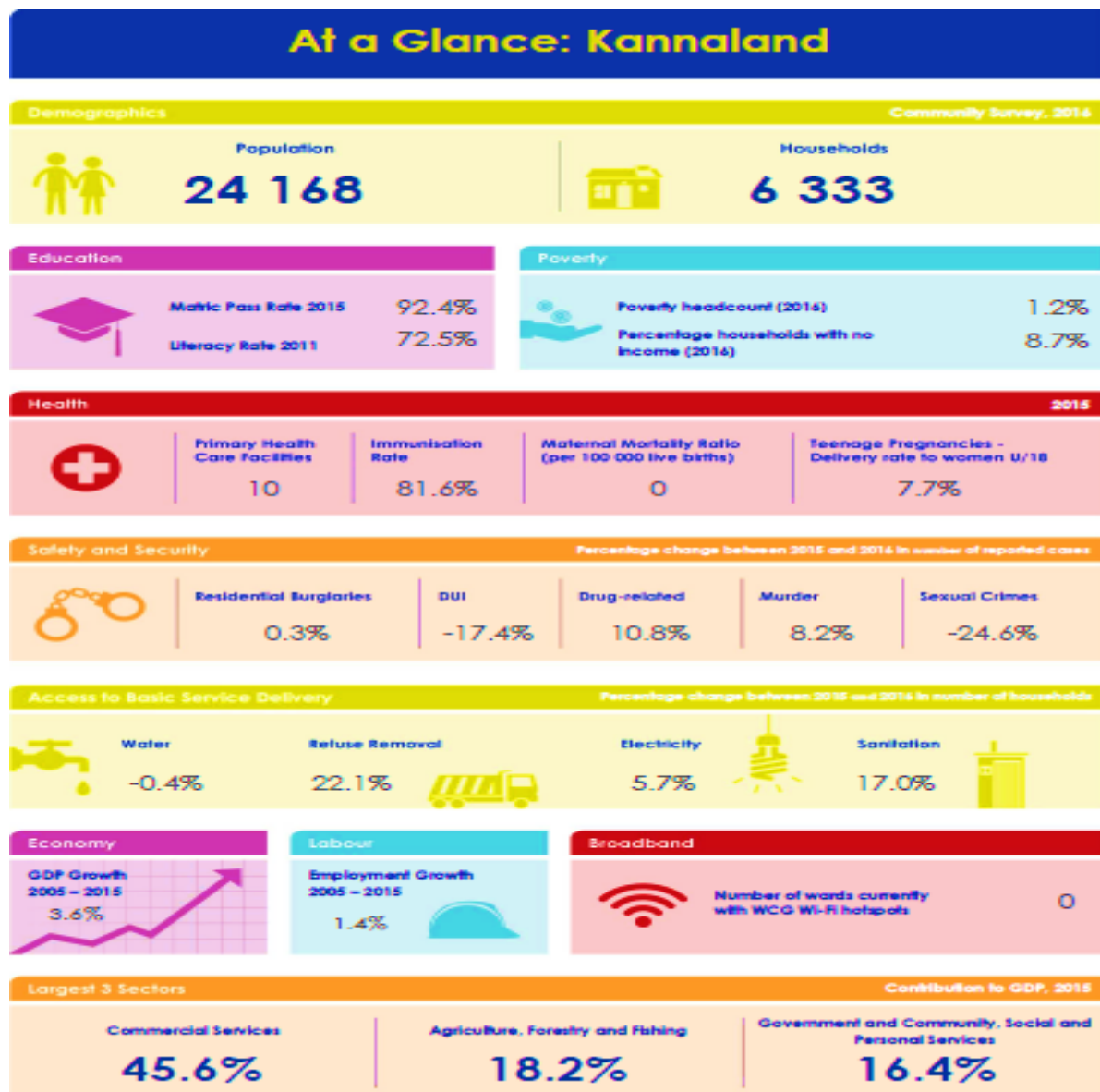
Kannaland is an important location of opportunity; where people can come to access a better life, including shelter, services, health, education, leisure, interaction with diverse cultures, intellectual stimulation and personal growth, and for developing a sense of belonging. The Kannaland Municipality strives to be welcoming to all people. Residents should feel at home and feel that the Municipality provides for a friendly enabling environment to access opportunities.

This is especially the case for those who are most in need of assistance. The Municipality will continue to invest in infrastructure to provide capacity to support development. As the Municipality expands, business and residents has to be supported by adequate services, electricity, water and other amenities as well as technology such as broadband and public transport networks. The investment in infrastructure should encourage and lead growth by ensuring that the supporting capacity for people to build opportunities is in place.

Over the next five years, the Municipality will invest in a number of infrastructure projects to improve service delivery. The Municipality has a large population of indigent households especially in the more rural towns and will continue to maintain rates rebates policy for people qualifying as indigents, to provide a measure of poverty alleviation. The direct effect on all communities will be through the provision of amenities, such as parks, libraries, sports and recreational facilities, and community and youth centres.

The Municipality will take all necessary measures to ensure effective environmental health through noise control, monitoring air pollution, managing waste, hygiene inspections, and water quality control and management.

2.3 Kannaland at a Glance



2.3.1 Educational Levels

Educational facilities are largely clustered around the settlements of Ladismith, Calitzdorp, Van Wyksdorp and Zoar. No educational facilities are available in Anysberg and Plathuis in the West and in Kraaldorings, Badshoogte and Vleirivier in the Eastern parts of the municipality.

According to the Western Cape Education Department (WCED) 39.4 per cent of students that were in Grade 10 in 2013 dropped out of school by the time they reached Grade 12 in 2015. This is a particularly concerning trend given the ever increasing demand for skilled and highly skilled labour within the region. The average learner-teacher ratio in Kannaland has increased from 25.3 per cent in 2012 to 27.7 per cent in 2014.



The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centres could have a positive influence on academic outcomes. Kannaland have 18 schools in 2015 which had to accommodate 4 671 learners. The proportion of no fee schools has increased significantly from 77.7 per cent in 2012 to 94.4 per cent in 2014, indicating that given the challenging economic climate, there is an effort to alleviate severe funding pressure of parents and guardians that are unable to afford school fees. With the challenge of disadvantage areas it makes it impossible to uphold the funding requirements and places the school under pressure or make it unable to contribute to school subsidies.

Due to the financial constraints of households, the dropout rate of students increases, the WCED offered certain fee-paying schools the option of becoming no fee schools. The majority of the schools in Kannaland are registered with the WCED as no fee schools.

	2011
No schooling	1115
Some primary	7550
Completed primary	2033
Some secondary	7312
Grade 12	3016
Higher	656

TABLE 6: EDUCATION LEVELS CENSUS 2011

2.3.1.1 Educational facilities

The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centres could affect academic outcomes positively.

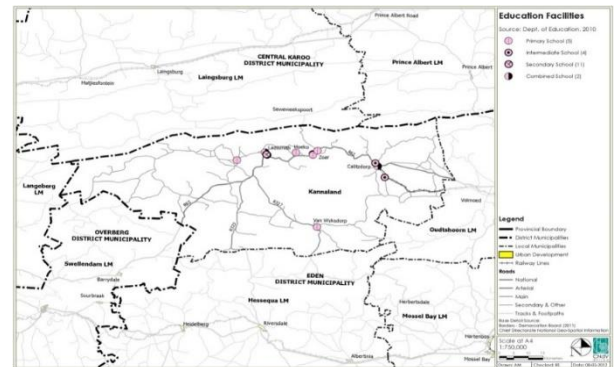
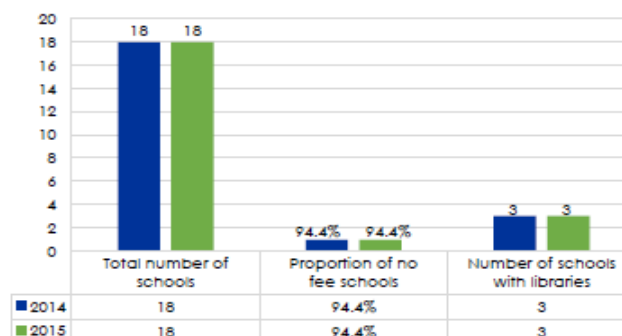


Figure 18: Education facilities – as indicated in 3.3.3.1 SDF figure

In 2015, there were 18 public schools in Kannaland which had to accommodate 4671 learners at the start of 2015.



2.3.1.2 Education outcomes

Education remains one of the key issues to improve the local economy therefore it is used to mitigate most of the challenges faced in life. The knowledge that is attained through education helps open doors to a lot of opportunities for better prospects in career growth. According to the economic profile 2016 the matric outcomes remain constantly above 85% between 2013 and 2015 with a pass rate of 92, 4% in 2015.

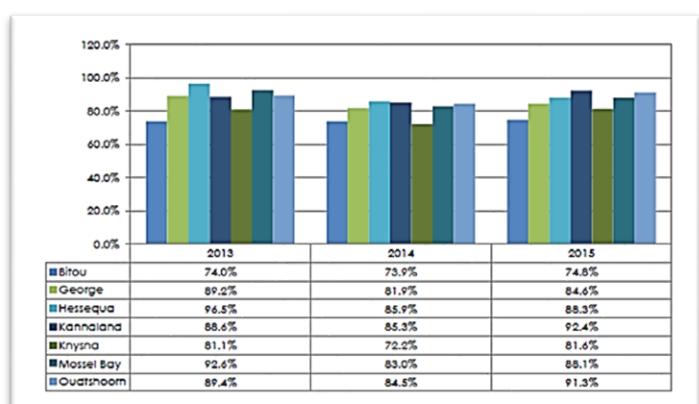


FIGURE 4: KSEP: EDUCATION OUTCOME

2.3.2 Employment and Unemployment

The table indicates that there has been a slight increase in the labour force between 1996 and 2011. The labour force participation rate also decreased between 1996 and 2001 and then decreased to approximately 48% in 2011. This indicates that less than half of the total work force between the ages of 15 and 65 are employed or actively seeking employment.

	Total Population aged 15 - 65	Labour force	LFPR%	Employed	Unemployed	Unemployment rate (%)
1996	11909	7405	62.2	6344	1061	14.3
2001	14622	7365	50.4	6345	1020	13.8
2011	15728	7587	48.2	6271	1316	17.3

TABLE 7: EMPLOYMENT AND UNEMPLOYMENT CENSUS 2001/2011

According to the Mero 2016, this is the sectors that contributed the most to Kannaland's employment in 2015.

FIGURE 5: MUNICIPAL ECONOMIC REVIEW AND OUTLOOK (MERO), 2016: QUANTEC RESEARCH, 2016

Sector	Contribution to employment (%) 2015	Number of jobs 2015	Employment (net change)			
			Trend 2004 - 2015	Pre-recession 2004 - 2008	Recession 2008 - 2009	Recovery 2009 - 2015
Agriculture, forestry and fishing	3.4	243	-2 558	-1 820	-285	-453
Mining and quarrying	0.0	0	0	0	0	0
Manufacturing	6.6	475	-172	-55	-51	-66
Electricity, gas and water	0.6	40	17	9	-2	10
Construction	9.6	694	356	182	-27	201
Wholesale and retail trade, catering and accommodation	29.7	2 145	1 003	664	26	313
Transport, storage and communication	8.5	611	432	228	23	181
Finance, insurance, real estate and business services	15.3	1 103	634	339	10	285
Community, social and personal services	17.2	1243	454	228	21	205
General government	9.2	668	83	25	9	49
Total Kannaland	100	7 222	249	-200	-276	725

2.3.3 Health

There are four clinics, five satellite clinics, with mobile health routes and one district hospital servicing the municipal area. The clinic in Ladismith will be relocated to a more central location in Van Riebeeck Street opposite Parmalat. Good health is vital to achieving and maintaining a high quality of life to the citizens of Kannaland. A diverse range of factors play a role in ensuring the good health of communities and that disease, especially preventable and contagious/communicable ones, are kept at bay. Some of the factors include lifestyle features that depend on the provision of high quality municipal services, such as clean water, sanitation and the removal of solid waste. Access to

Municipality	Number of PHC clinics - fixed	Number of PHC clinics - non-fixed (mobile/satellite)	Community Health centres	Community Day centres	Total number of PHC facilities (fixed clinics, CHCs and CDCs, excluding non-fixed)	Number of district hospitals	Number of regional hospitals	Emergency medical services: Number of operational ambulances per 100 000 population
Eden District	38	35	0	7	80	6	1	0.50
Kannaland	4	5	0	0	9	1	0	1.17
Hessequa	4	5	0	0	9	1	0	0.92
Mossel Bay	3	11	0	1	15	1	0	0.32
George	10	6	0	3	19	1	1	0.45
Oudtshoorn	8	3	0	1	12	1	0	0.40
Bitou	4	2	0	1	7	0	0	0.39
Knysna	5	3	0	1	9	1	0	0.56

healthcare facilities is directly dependent on the number and spread of facilities within a geographic space. During numerous community consultations it has occurred that there is a strong need for a

centralised clinic in Zoar as well permanent doctors in Zoar and Calitzdorp. The current medical facility in Calitzdorp needs to be expanded.

2.3.3.1 Emergency medical services

Only two operational ambulances are in Kannaland. The relevant low number of operational ambulances in Kannaland makes it difficult in some medical cases on rural areas with regards to saving lives and attending to urgent medical care.

2.3.3.2 HIV/AIDS and Tuberculosis (TB)

Although treatment and care is essential in the management of HIV and AIDS, the need for and importance of preventative care cannot be over-emphasised, especially since to date, there is no known cure. According to the data in the KSEP, by the end of March 2016 a total of 99 ARV's was treated to patients.

Municipality	HIV - Antiretroviral treatment					Tuberculosis			
	ART patient load March 2013	ART patient load March 2014	ART patient load March 2015	Mother-to-child transmission rate	Number of ART clinics/ treatment sites 2015	Number of TB patients 2012/13	Number of TB patients 2013/14	Number of TB patients 2014/15	Number of TB clinics/ treatment sites 2015
Eden District	10 402	12 788	14 805	1.6%	64	4 825	4 909	4 935	83
Kannaland	100	273	260	0.0%	5	221	258	206	7
Hessequa	364	482	552	6.9%	5	343	333	291	9
Mossel Bay	2 117	2 490	2 966	0.6%	17	823	853	761	15
George	3 886	4 534	5 461	2.0%	18	1 730	1 742	1 807	24
Oudtshoorn	740	1 109	1 239	1.3%	6	774	893	911	12
Bitou	1 578	1 640	1 837	0.8%	7	443	344	395	6
Knysna	1 617	2 260	2 490	1.6%	6	491	486	564	10

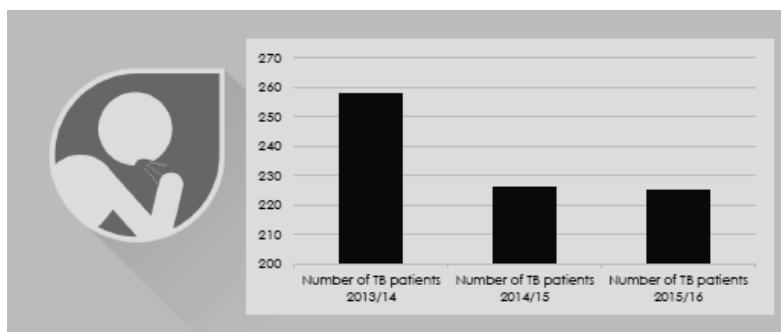
FIGURE 6: HIV/AIDS - KSEP 2016

At the end of June 2011, the Province highlighted that anti-retroviral treatment (ART) was provided to over 100 000 persons in the Province, 7 847 of whom were in the Eden District and 14 in Kannaland. By the end of March 2015, Kannaland's patient load had increased to 260, with treatment being administered from 5 treatment sites.

In addition to improving the quality of life of the patient, anti-retroviral treatment to mothers both before and at birth, also decreases the chances that infants will contract HIV from their mothers. In 2014/15, Kannaland had a zero mother to child transmission rate. Kannaland's rate is therefore significantly below the 1.6 per cent District rate, and the Provincial medium term annual target of 1.4 per cent for 2015/16 and 2016/17.

The TB patient load in the Eden District stood at 4 935 in 2014/15, with treatment being administered from 83 clinics/treatment sites. Kannaland's patient load dropped to 206 in 2014/15 from 258 in 2013/14, with treatment being administered from 7 clinics/treatment sites.

FIGURE 7: TB - KSEP 2016



2.3.3.3 Child Healthcare

Infectious diseases:

Low immunisation rates speak to the need for parents to understand the critical importance of immunisation, as well as the need to encourage parents to have their young children immunised. The full immunization coverage rate for the Eden District was 85 per cent (the highest among the District municipalities) in 2014/15. Kannaland's coverage rate of 84 per cent is slightly lower than that of the District. The Provincial average is 90 per cent.

Malnutrition:

Malnutrition (either under- or over nutrition) refers to the condition whereby an individual does not receive adequate amounts or receives excessive amounts of nutrients. The number of malnourished children under five years in the Eden District in 2015 was 3.79 per 100 000, which was the 2nd highest incidence in the Province after the Central Karoo District.

Neonatal mortality rate:

The first 28 days of life - the neonatal period - represent the most vulnerable time for a child's survival. Kannaland's neonatal mortality rate of 14.2 is higher than the District and Provincial averages of 7.2 and 6.2 per 1 000 live births respectively, and is also much higher than the Province's target of limiting deaths to 6 or less per 1 000 live births by 2019.

Low birth weight:

Low birth weight is defined as weight at birth of less than 2 500 g.

Municipality	Full immunisation coverage under 1 year	Child health			Maternal health		
		Severely malnutrition rate under 5 years	Neonatal mortality rate	Low birth weight	Maternal mortality ratio	Delivery rate to women under 18 years	Termination of pregnancy rate
Kannaland	84%	3.51	14.2	23%	0.0	8.8%	0.0%
Hessequa	81%	0.99	5.6	17%	0.0	11.3%	0.1%
Mossel Bay	91%	4.69	9.5	13%	0.0	6.6%	9.5%
George	88%	2.40	8.7	19%	109.0	6.5%	12.6%
Oudtshoorn	84%	9.78	8.5	18%	56.7	9.6%	2.0%
Bitou	80%	0.46	0.0	0%	0.0	0.0%	0.0%
Krystna	78%	2.47	0.6	12%	58.3	6.4%	10.7%
Eden District	85%	3.79	7.2	16%	62.9	7.4%	7.4%
Western Cape	90%	2.43	6.2	15%	55.4	6.1%	16.8%

FIGURE 8: WESTERN CAPE DEPARTMENT OF HEALTH, 2015

2.3.4 Safety and Security

The extent of crime in South Africa does however not only have a significant impact on the livelihood of citizens, but also affects the general economy. Crime hampers growth and discourages investment and capital accumulation. If not addressed with seriousness, it has the potential to derail both social and economic prosperity.

Below is the crime statistics per 100 000

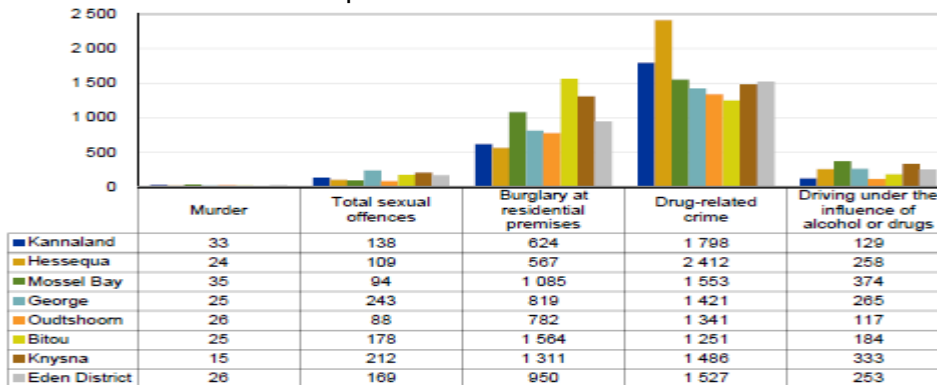


FIGURE 9: QUANTEC RESEARCH 2015

2.3.5 Basic services provided in Kannaland

2.3.5.1 Indigent support

Municipalities offer additional support through its indigent policy. The indigent policy provides free or discounted rates on basic services such as water, electricity, sanitation, refuse removal and also on property rates.

2.3.5.2 Access to water

Household access to water in the Municipal area has improved considerably between 2011 and 2017.

Regional area	Piped water inside dwelling	Piped water inside yard	Piped water less than 200 m from dwelling	Piped water more than 200 m from dwelling	Borehole/ rain-water tank/well	Dam/river stream/spring	Water-carrier tanker/water vendor	Other/ Unspecified
Western Cape	74.1	13.8	8.7	2.5	0.1	0.1	0.1	0.6
Eden District	71.5	16.8	6.9	2.6	0.7	0.5	0.3	0.7
Kannaland	76.2	15.1	3.0	1.3	0.8	1.8	0.9	1.1

FIGURE 10: ACCESS TO WATER - MERO 2016

The data indicates that in Kannaland, 76.2 per cent of households have access to water within their dwellings and a further 15.1 per cent have access within their yard. The minimum service level is households that have access to water 200 m or less from their dwelling. Approximately 94.3 per cent of households meet this minimum standard. This puts Kannaland close to the NDP target of 100 per cent access to water by 2030. Kannaland's level of access to water is slightly below the Provincial and District averages of 96.6 and 95.2 per cent respectively. This entails that there is room for improvement in terms of household access to water within their homes.

2.3.5.3 Access to sanitation



In 2014, 73.6 per cent of households in Kannaland had access to flush toilets (connected to sewerage/septic tank), which is below the District average of 84.5 per cent. There is however a concern that a total of 17.9 per cent of households still relied on the bucket/pit latrine system.

Municipality	Flush or chemical toilet	Pit latrine	Bucket latrine	Not listed elsewhere
Eden District	84.5	6.4	2.0	7.1
Kannaland	73.6	16.1	1.8	8.6

FIGURE 11: ACCESS TO SANITATION - KSEP 2016

Sewerage is predominantly of domestic origin and flows to the works under gravity. The Ladismith waste water works was originally completed and has a nominal capacity of 1.2 Ml/d. The works is classified as a Class C Works (Infrastructure Grading).

The existing treatment works is a conventional biological works that comprises of a primary settling tank, biological filter, humus tank, anaerobic digester, sludge drying beds and four maturation ponds. In Ladismith a small part of the town is serviced by a pump station with the rest feeding to the works via gravitation. The municipality has commissioned Aurecon to prepare a report on the upgrading and expansion of the Kannaland Waste Water Treatment Works. A scoping report has been finalised which will result in a (1) technical feasibility, (2) preliminary design and (3) Implementation Ready Study Report.

A significant portion of the older sections of Calitzdorp is serviced by means of conservancy and septic tanks that are regularly emptied by vacuum tankers. The western side of Calitzdorp has a waterborne wastewater reticulation system, with gravity mains and associated pump stations that deliver the wastewater to the WWTW. The low cost housing in this town is serviced with waterborne sanitation and is pumped to the WWTW. The waste water treatment works is a simple pond system, and has a capacity of 0.32 Ml/d. Currently no flow measurement devices are installed at Calitzdorp WWTW and estimates of present and future flow are based on population and water usage estimates.

In Zoar the existing works is a class E facility, which makes use of oxidation ponds. The WWTW has a tank that is used to settle solids in the effluent perform an anaerobic digestion function and act as a

balancing tank for peak flows. No chemical disinfection currently takes place. A preliminary estimate of the component capacities and overall capacity of the works has been estimated as 0.25Ml/d.

2.3.5.4 Access to electricity

According to the socio economic profile 2016, 89.7 per cent of households in Kannaland had access to electricity for lighting purposes in 2014. This is slightly below the District average of 90.7 per cent during this period.

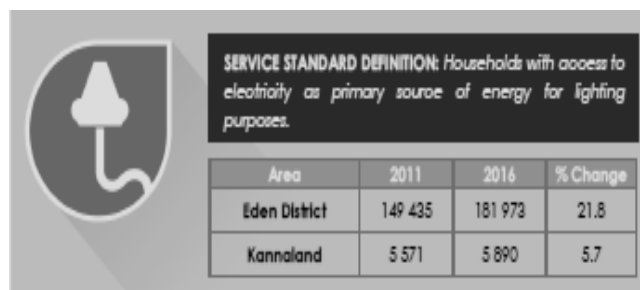


FIGURE 12: ACCESS TO ELECTRICITY - KSEP 2016

2.3.5.5 Access to waste removal

The data indicates that within Kannaland, 66.3 per cent of households have their refuse removed at least once a week. This is the lowest level in the District and it is also lower than both the Province and the District in terms of the levels of access to refuse removal by the local authority at least once a week.

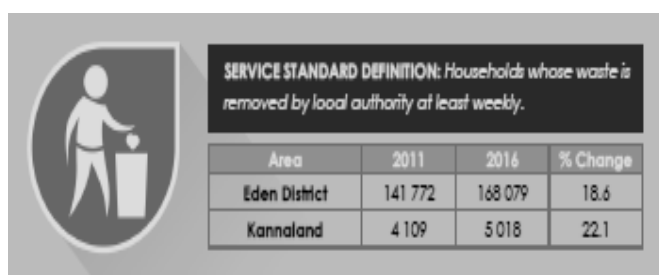


FIGURE 13: ACCESS TO WASTE REMOVAL - KSEP 2016

Challenges in terms of waste management may include limited land availability for waste management facilities. The municipality has identified and prioritised the landfill sites as a priority. It was also identified by the community that waste containers be placed at strategic points to be collected by the municipality.

2.3.5.6 Access to adequate housing

Municipality	House or brick structure on a separate stand or yard	Traditional dwelling	Flat in a block of flats	Town/cluster/semi-detached house (simplex, duplex or triplex)	House/flat/room in backyard	Informal dwellings shack in backyard	Informal dwelling/shack NOT in backyard, e.g. in an informal squatter settlement	Room/flatlet not in backyard but on a shared property	Other
Eden District	75.0	0.7	2.3	3.5	1.5	5.9	9.3	0.7	1.2
Kannaland	94.9	0.4	0.6	0.5	0.4	1.1	1.3	0.1	0.7

Decent housing with the relevant basic services is essential for human security, dignity and well-being.

FIGURE 14: QUANTEC RESEARCH 2015

The housing project in Calitzdorp was recently completed as per the phases indicated in the Human Settlement Plan of Kannaland. More detailed information can be obtained in the HSP (attached).

2.3.6 Spatial and Environmental Analysis

This component includes: pollution control; biodiversity and landscape; and coastal protection. Urban expansion and farming in marginal areas to meet the demand of an increasing population, are leading to a loss of land and productivity. Secondary pressures, such as climate change, desertification and alien plant invasion, are further contributing factors.

Humans influence land degradation in three principle ways:

- The use of land resources for productive purposes: for agriculture, the collection of wood for fuel and building materials, as well as water abstraction and mineral extraction.
- The use of land resources for space needs, for example, settlement, infrastructure and recreational purposes.
- A tertiary set of influences comprises the incidental and often remote impacts of economic activity on land resources: for example, pollution of (sub) surface and atmospheric water resources by industry, alien plant invasion and climate change.

Agriculture has transformed much of Kannaland's natural landscape to cultivated lands. The Little Karoo, in general, which is under extensive agriculture, game farming and conservation land uses, falls within the category "Succulent Karoo /Spekboom/ Fynbos".

Land degradation manifests itself in the soil and in the veld. Sheet erosion is the most common form of soil degradation, with some rill and gully erosion in Kannaland. The Combined Land Degradation Index (CDI) indicates that the most degraded areas within Kannaland are situated around Ladismith and Calitzdorp because of overgrazing. The rest of Eden is only lightly affected by soil and veld degradation issues.

To monitor land degradation in Kannaland, the following indicators need to be identified:

- Area of land under formal conservation protection;
- Landscape change;
- Number of agricultural subdivisions; and
- Combined Land Degradation Index.

Six impact groups associated with land degradation drivers in Kannaland are:

- Farming in marginal areas, which leads to loss of ecosystem integrity, loss of natural habitats and which exerts stresses on the natural resource base, for instance on water through irrigation of crops.

- Subdivision of agricultural land into uneconomically viable units and urban sprawl leads to diminishing agricultural returns.
- Urban expansion triggered by population growth and a better standard of living leads to the loss of agriculturally productive land and other land conflicts (e.g. conservation vs. urban development).
- Alien plant invasions cause veld degradation, a reduction on the quality and quantity of water and hence the loss of biodiversity resources.
- Climate change (global warming) brings an increase in the frequency of extreme weather events (droughts/ flooding), change in rainfall patterns and in extreme cases desertification. Loss of biodiversity is strongly associated with these phenomena.

Kannaland falls largely within the Gouritz Water Management Area, a grouping of primary water catchments, which are diverse in nature, evaporation exceeds rainfall in the northern catchments meaning that these are water stressed areas. In contrast, rainfall generally matches evaporation in the southern catchments meaning that these are generally moister environments. In the Gouritz River catchment the development of surface water resources has reached its full potential and all the water is fully utilised.

The inland water resources are under severe pressure through urban population increased. In concert with population growth Kannaland has experienced expansion in the provision of water services. In addition, low cost housing projects emerging from the National Reconstruction and Development Programme (RDP), together with the National Water and Sanitation Programme which has contributed to water demand. A further pressure on the water resource is the influx of tourism over the holiday season, introducing a spike in water demand. Economic growth and consumer and export demand has led to an increase in agricultural production, which in turn has placed greater pressure on water resources through greatest abstraction for irrigation.

Alien invasive plant and animal species, introduced by human actions either accidentally or for commercial purposes, are proving a major threat to the quality and quantity water, as well as to the biodiversity of freshwater systems. Climate change is expected to lead to slightly reduced rainfall over the Kannaland region, increased variability of rainfall, fewer but heavier precipitation events and increased temperatures and evaporation. These effects could work together to increase flooding, but could also reduce base-flow (long term low flow).

2.3.7 Biodiversity

Owing to its broad range of climatic conditions, geology, soils and landscapes, Kannaland has a very substantial share of global biodiversity within its borders. Kannaland's biological heritage is important

in many ways – providing ecosystem services like clean water, contributing directly to the economy through industries like fishing and tourism, supporting livelihoods by providing food, medicines and building materials and generally improving health and well-being. Through habitat destruction and ill-conceived developments biodiversity is under threat world-wide. To counteract this threat Kannaland should protect representatives of as many types of community and ecosystem as possible. By conserving suitable habitat, we are also improving the survival chances of the species and populations contained therein. Living landscapes preserve the option value of biodiversity – the potential to provide benefits in the future.

Important driving forces putting pressure on the biodiversity resources of Kannaland are:

- Population growth;
- The demand for economic growth to provide wealth and job creation;
- Demand for housing and associated services for historically disadvantaged people;
- Unsustainable extraction of natural resources as a result of poverty or greed;
- Poor land use practices promoting soil erosion and infestation by invasive alien plants;
- Poor waste and pollution management;
- Climate change; and
- Lack of understanding

In terms of appropriate responses, the mainstreaming biodiversity consideration into socio-economic agendas holds most promise to turn the situation around. It is necessary to:

- Integrate the protection and management of biodiversity resources with all human development by means of regional and national conservation initiatives;
- Build capacity in the areas of conservation assessment, taxonomy, green technology and knowledge transfer;
- Increase capacity in environmental law enforcement, management and education;
- Strengthen existing biodiversity conservation programmes to identify ecosystems, species and genetic resources that are at imminent risk of extinction;
- Implement strong counter measures to slow down the speed with which the loss of biodiversity occurs; and
- Link biodiversity protection and economic stimulation, as biodiversity protection provides an opportunity for less formal, nature-based community initiatives to act as economic engines and job creators.

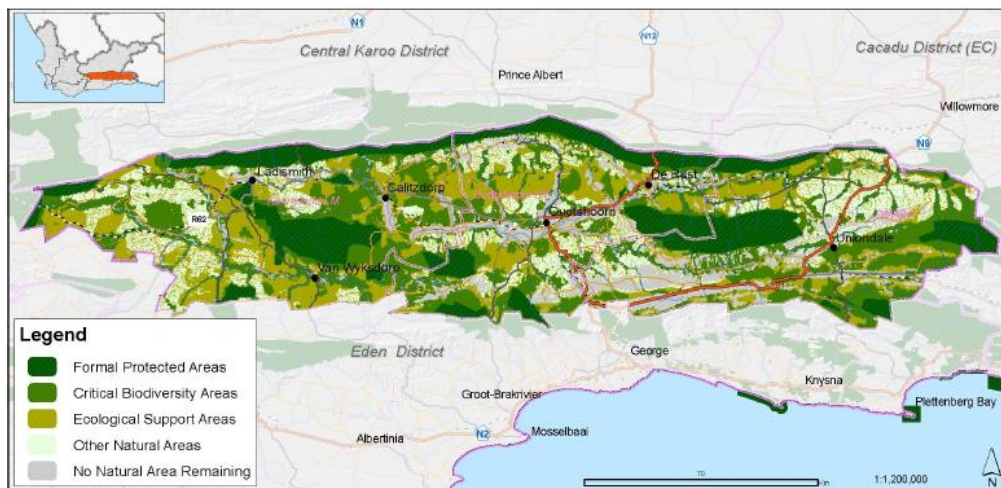


Figure 20. Critical Biodiversity Areas in the Kannaland Municipality, Oudtshoorn Municipality and Eden District Management Area.

FIGURE 15: CRITICAL BIODIVERSITY AREAS -

2.3.8 Climate

There is general scientific agreement that the world is now warmer than at any time in the last 1000 years, and that the cause for this warming is due to human activities. Kannaland is at risk from projected changes in rainfall pattern and warming induced by changes in the global energy balance and atmospheric water balance.

Trends in climate over a five-year period can easily be meaningless or insignificant in a statistical sense. However, the average for the five-year reporting period may be useful for simple comparative purposes against the long term average. Once a continuous ambient air quality sampling programme is in place, quarterly air quality reports which will provide useful state of environment data.

Increased drying and changes to the seasonal nature of precipitation will bring an increase in irrigation requirements which are likely to desiccate wetlands and threaten seasonal ecosystem interactions within the wetland. Such impacts are likely to further threaten the biodiversity of freshwater resources, which in turn will impair the environmental services they provide. The impact caused by climate change in terrestrial ecosystems include the detrimental effects associated with wildfires due to increased berg-wind conditions, and the possibility of changes in the distribution of alien invasive species, apart from changes in indigenous species distribution and interactions.

Numerous economic sectors could be affected by changes in temperature and precipitation patterns. The impact is likely to be felt in agriculture, fisheries, forestry, the manufacturing industry, tourism, finance and investment, transport, communication and trade, and construction. Climate change is likely to impact water services in terms of diminishing reserves on the one hand, and damage to infrastructure due to heavier precipitation events on the other.

The climate in Kannaland is known for its hot and dry summer days. The average annual rainfall is about 270 mm, with rainfall occurring throughout the year. The average midday temperatures range from 16.6°C in July to 29.6°C in January and the mercury does drop to 3.2°C during winter nights. The municipal area is very popular amongst domestic and foreign tourists for its rural rustic Karoo scenery. Our unique offerings in the heart of the Klein Karoo, the local top class brandy and top class cheese industries, is an attractive tourist destination for local and foreign tourist who will and can enjoy trying new delicacies.

An important role and function of the municipality is to balance the need for development with the need to reserve the fauna and flora which are an important leverage within the agriculture and tourism industry. The area is very popular amongst artists, cyclists and off-road enthusiasts who come here for untouched natural beauty. The municipality has a difficult task to balance the interest in the natural environment with the need to promote development which will address the socio under development, infrastructural backlogs and the need to promote investment inflows to the area. The Spatial Development Framework (which is reflected in the IDP) will be one of the key strategic tools with which the municipality will balance these competing interests.

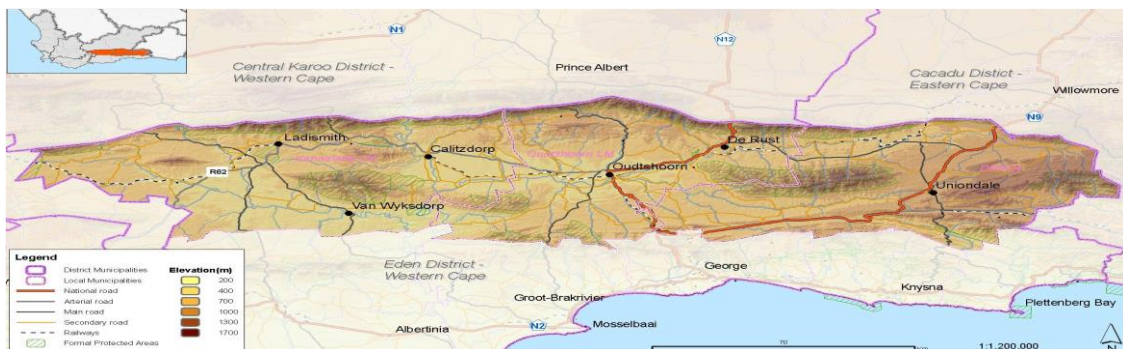


FIGURE 16: PROTECTED LAND AREAS: EDEN DISTRICT

2.3.9 Kannaland Flora

The Cape Floral Kingdom is characterized by its exceptional richness in plant species. More than 8 700 species are known to exist, with more than 68% of these being endemic. The Cape Floral Kingdom, thus, compares with some of the richest floras worldwide. It is the smallest of the Floral Kingdoms and covers a mere 0.06% of the earth's surface, and is the only Floral Kingdom contained in its entirety within a single country.

Kannaland is a region of extensive plains, arid foothills and rugged rocky ridges and includes a wide range of microhabitats with extreme seasonal and diurnal temperature fluctuations. There are 1325

plant species in this area, including 182 Succulent Karoo endemics and 92 Red List species (www.skep.org.za). While unique and rare species are found throughout the landscape, many of the endemics are concentrated along veins of weathered quartz, where patches of white pebbles provide camouflage and moderate the temperature for “stone plants”

2.3.10 Disaster Management

The purpose of Contingency Plans is to forecast, prepare for incidents and to identify roles and responsibilities of the departments within the municipality. It enhances the municipality's capabilities to effectively and efficiently manage and mitigate any situation that could pose a threat to life, property and the environment.

The limitations in capacity is of a high nature and roles with specific primary and secondary roles/functions is set out to guide the sections within the municipality to work collectively for all to participate and plan for before / during and after disasters within the area. As defined in the prescriptions of the Act, the Municipal Manager is the Head of Disaster Management with the delegation of assistance through to the Director of Corporate Services.

A review and update of the disaster risk assessment of the Eden District Municipality (EDM) was completed by Disaster Risk Management (Pty) Ltd (DMS). The next review will take place during the 2018/19 financial year.

This risk assessment, a scientific tool, indicates the total risk for the Eden District. The table below lists the priority hazards identified during the 2005 DRA and new hazards identified during the 2013 DRA.

2013 Risk	
Priority Hazards Identified	New Hazards Identified
Drought	Seismic hazards
HZMAT: Road, Rail	Petro-Chemical Fire Hazards
Fire	Alien Plant Invasion
Floods	Predator Animals
Slope Failures	Structural Integrity Old Gouritz Bridge
Road Accidents	Storm Surges
Animal diseases	Coastal Erosion (Sea Level Rise)
Dam Shedding	Service Disruptions
Human diseases	Social Disruptions

The municipality has a Disaster Management Plan and the establishment of a Disaster Management Centre has also been identified in terms of the municipality's Disaster Management planning however the municipality does not have a functional disaster management ICT, GIS and early warning system. The municipality is currently making use of the Disaster Management DS Tool of the Western Cape Disaster Management Centre to assist the municipality in making informed decisions relating to Disaster Management.

Currently the entire municipal area face the nightmare of drought due to low rainfall. As throughout this IDP is identified that water storage capacity is the main problem and has therefor prioritized the water and sanitation needs as a high and urgent matter to be attend to.

The procedures in general for disasters or major incidents are to activate a Joint Operation Centre, which is currently run from the municipal offices.

2.3.10.1 Hazards / Vulnerabilities Assessments

The impact prioritization for the most important risks (in order of priority) is as follows:

- Drought
- Floods
- Plantation and vegetation fires
- Agricultural epidemics
- Hazardous materials transport

2.3.10.2 Risk Reduction Measures

2.3.10.2.1 Risk Preparedness

Risk Management (ito sec 62 of the Municipal Finance Management Act (MFMA)) is a systematic process to identify, evaluate and address risks on a continuous basis in order to introduce preventative measures. Risk management is integrated with the IDP and linked to the strategic outcomes.

The Disaster Risk Plan of the Municipality contains preventative as well as prepared responses towards the risks that have been identified.

The indicative risk profile is dynamic and can change depending on many variables, e.g. crowd profile, weather conditions, time of day, traffic conditions, spectator behaviour and the safety and security threat analysis.

2.3.10.2.2 Risk Prioritisation

The impact prioritisation for the most important risks (in order of priority) is as follows:

- Drought
- Floods
- Plantation and vegetation fires
- Agricultural epidemics

- Hazardous materials transport
- Social Cohesion Risks

2.3.10.2.3 Risk Reduction Measures

No other risk reduction measures are in place other than proactive measures during early warnings and forecasts or progression of incidents. Preventive measure are relocating or evacuating members of communities and providing support at a local level or as assisted through the District. The municipality does not have a functional disaster management ICT, GIS and early warning system.

- Disaster Management Advisory Forum has been established.
- Meetings/ forums / workshops (newly established Disaster Management Forum).
- Service Level Agreement/ Memorandum of Understanding with Eden District municipality.
- Facility for Fire Services in process.
- Kannaland local disaster management committee in place and engage on regular basis.
- Identification and Installation of water tanks at strategic distribution points
- Water will be shut down to regulate water flows
- 80 litre drinking water per person per household per day will be supplied at distribution points.
- Transport of water
- Stock pile water at distribution points
- Communication – radio broadcasting, pamphleteering and load hailing (Regularly)
- Activation of contingency plans from Emergency services, SAPS, Ambulance Service and hospital and Clinics for outbreaks of any diseases
-

2.3.10.2.4 Response and Recovery Measures

Kannaland's Disaster Management function is supported by the Eden District Municipality and the Provincial Disaster Management Centre. The main Risks which may have a potential disaster-risk impact:-

- Natural Risks
- Drought;
- Extreme Weather (heat wave / cold snap);
- Floods
- Snowfalls
- Windstorms
- Earthquake

- Desertification / Soil erosion / Loss of biodiversity
- Thunderstorms and lighting
- Predators
- Service Risks
- Disruption of Electricity Supply / Power Failure (sustained);
- Disruption of Telecommunications & IT Services or Public Address;
- Solid and sewerage waste disposal management
- Disruption of Water Supply
- Disruption of Sanitation & Storm water Systems
- Disruption of Solid Waste Removal Services
- Civil Unrest
- Bomb Threat / Hostage-taking/ Bomb explosion
- Hooliganism / Civil Unrest / Rioting / Public Disorder
- Disruption of Commercial or Governmental Activities, incl. Strike action by personnel
- Accidents
- Road Traffic Incidents, including Road Transportation Disruption/Blockades/Traffic Congestion;
- Structural Collapse;
- Hazmat Incident or Chemical or Biological Agents' or Radio-active Materials' (CBR) Release
- Fire – Veld / Structural / Effects of Pyrotechnics
- Rail Incident
- Aircraft Incidents
- Health Risks
- Epidemic / Major Infectious Disease Outbreak, incl. Food Safety issues
- Human Disease
- Animal Disease
- Environmental Pollution – Ground / Air / Water
- Shale gas drilling and Uranium mining and extraction
- Ground water pollution

No other risk reduction measures are in place other than proactive measures during early warnings and forecasts or progression of incidents. Preventive measures are relocating or evacuating members of communities and providing support at a local level or as assisted through the District.

2.3.10.2.5 Mitigation measures

- Water restrictions in place – notify the public through strict water restriction notices
- Drilling of boreholes

- Cleansing of storm water drainage systems
- Disaster Management Advisory Forum has been established.
- Meetings/ forums / workshops (newly established Disaster Management Forum)
- SLA/MOU with Eden District municipality

2.3.11 Tourism

This modest allocation by the municipality for tourism should be seen against the context of the broader package of municipal programs (e.g. keeping local towns clean, enhancing the aesthetic appeal of the built and natural environment and its planning framework).

Kannaland LM is in dire need of a Tourism Masterplan that could amongst others unlock local economic opportunities through:

- Proper Spatial Planning – e.g. promoting economic growth along the R62, agri-tourism, adventure tourism, etc;
- Development of an Art, Culture and Heritage Plan; which will identify sites of architectural, heritage significant areas and resources which will be able to contribute to the unique selling proposition of the area and attract people to the Kannaland region through cultural tourism;
- Leveraging assets such as the caravan park, through either alienation or public private partnership which could stimulate economic activity.

Kannaland's local economy is built on the opportunities created by tourists visiting the area. It is essential that the tourism industry be further developed and investment into this industry be promoted to ensure continuous growth. The aim is that each town to have a tourism satellite office which will reside under the Kannaland Tourism umbrella. Each town has its unique economical setup and programs.

The 2 local tourism bureau offices currently maintain and operate two websites:

- Ladismith: <http://www.ladismith.org.za>
- Calitzdorp: <http://www.calitzdorp.org.za>

The figure below (SDF - Figure 3.4.13.1) illustrates the main tourism and cultural attractions in the municipality (ENPAT, 2003). These are made up of various cultural tourism sites (grave/burial sites, monuments, etc) and 2 local hiking trails:

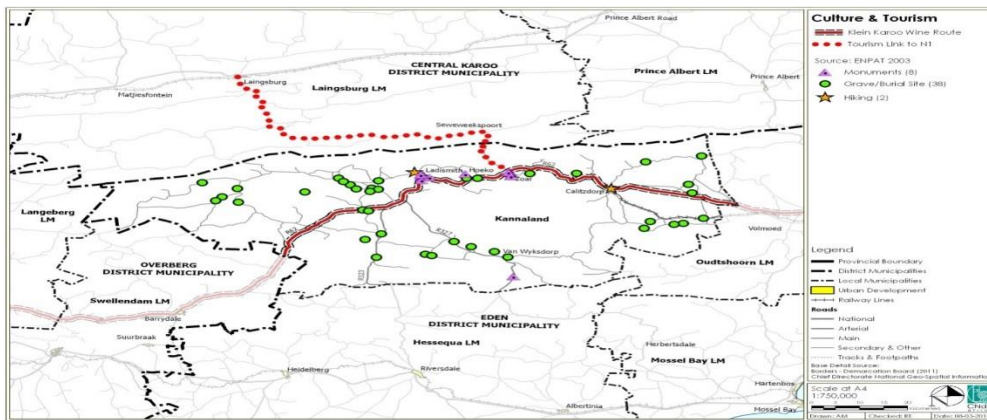


FIGURE 17: TOURISM AND CULTURE ATTRACTION – REFER TO FIGURE 3.4.13.1 IN SDF TOURISM AND CULTURE ATTRACTION

Tourism is one of the key economic sectors in the municipality, calling for the development of a tourism master plan or a municipal wide tourism strategy. The local tourism offices needs urgent support from the government department to assist in either funding of programs or the development of each town – as mentioned a masterplan is needed. The tourism sector can contribute significantly to the reduction of unemployment. The urban areas along the R62 tourism route should maximize their exposure on this route as a means of enhancing economic growth

The Calitzdorp tourism office successfully held the port (wine) and winter festival which bring out the culture of the town to the tourist as well neighboring municipal places.

2.3.12 Agriculture

The Kannaland Municipal area is dependent on the agriculture sector. Economic pressures in the agricultural sector over the past few years forced farm workers to migrate to towns where, in most cases, these families became indigents who must be given free basic services, placing huge financial strain on the resources of Kannaland.

South African agriculture has performed well over the past decade; despite some volatility owing to its dependence on global markets and on an inclement climate, gross value added by the sector expanded by more than 15% in real terms since 2005. Overall growth was influenced by a combination of global and macro-economic forces as well as the climate. Following the recession, growth in the sector recovered and peaked in 2014 at more than 30% before the drought started having an impact from 2015 onwards.

However, this expansion peaked at over 30% in 2014, before declining rapidly in the past two seasons as a result of extreme drought in the summer rainfall regions. The severity of the current drought has reemphasized the importance of a vibrant and sustainable agricultural sector. 2016 in particular will be

remembered as a challenging year, the sector's resilience and ability to recover from a shock such as the current drought is underpinned by a combination of key underlying fundamentals linked to the long-term competitiveness of the industry.

Globally, agricultural commodity prices have fallen well below the peaks of 2013, as generally high production levels have replenished stocks. Furthermore, the two demand drivers of the past decade, namely biofuel production and rapid growth of the Chinese economy, are expected to slow significantly over the next ten years.

Crop prices are expected to remain under pressure in the short term, before starting a gradual recovery towards 2020. In South Africa, much of the decline in world prices has been negated by the sharp depreciation in the value of the Rand, which by May 2016 had declined by almost 48% over the preceding 24 month period. South Africa is projected to return to a net exporting position from 2017 onwards, though the projected surplus is unlikely to be sufficient to maintain prices at export parity levels throughout a normal year.

Barley has been competitive in the Southern Cape in the recent past and in light of a favorable yield growth outlook arising from the introduction of new varieties, gross margins are expected to support expansion of barley area at the expense of wheat over the coming decade, provided that the current pricing structure that links barley prices to wheat prices is maintained.

Having expanded rapidly over the past decade, consumption growth of meat and dairy products is projected to slow over the next ten years. This is particularly of significance in the Kannaland due to its prominent dairy industry.

2.3.13 Regional Agri-parks project

The Agri-Parks project started in July 2013 as a response to a formal request from the Minister to identify areas in South Africa where crop production can be enabled. As a network it will enable a market-driven combination and integration of various agricultural activities and rural transformation services. The Agri-park will comprise of three basic units:

- The Farmer Production Support Unit (FPSU). The FPSU is a rural outreach unit connected with the Agri-hub. The FPSU does primary collection, some storage, some processing for the local market, and extension services including mechanization.
- Agri-Hub Unit (AH). The AH is a production, equipment hire, processing, packaging, logistics and training (demonstration) unit.
- The Rural Urban Market Centre Unit (RUMC). The RUMC has three main purposes;

Linking and contracting rural, urban and international markets through contracts;

- Acts as a holding-facility, releasing produce to urban markets based on seasonal trends; and
- Provides market intelligence and information feedback, to the AH and FPSU, using latest information and communication technologies.

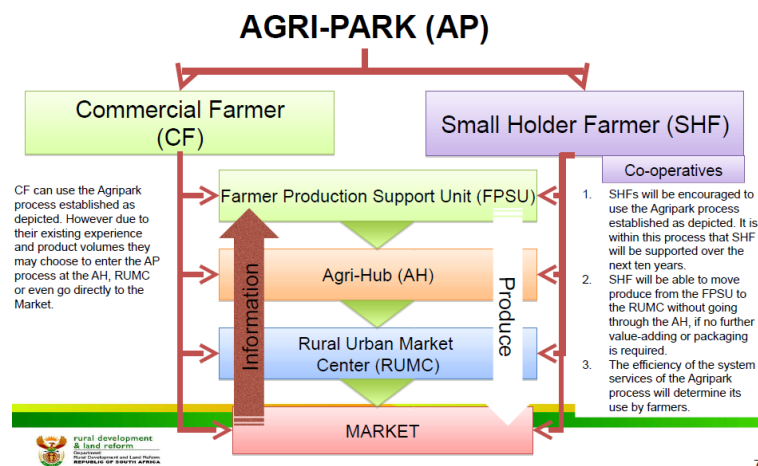


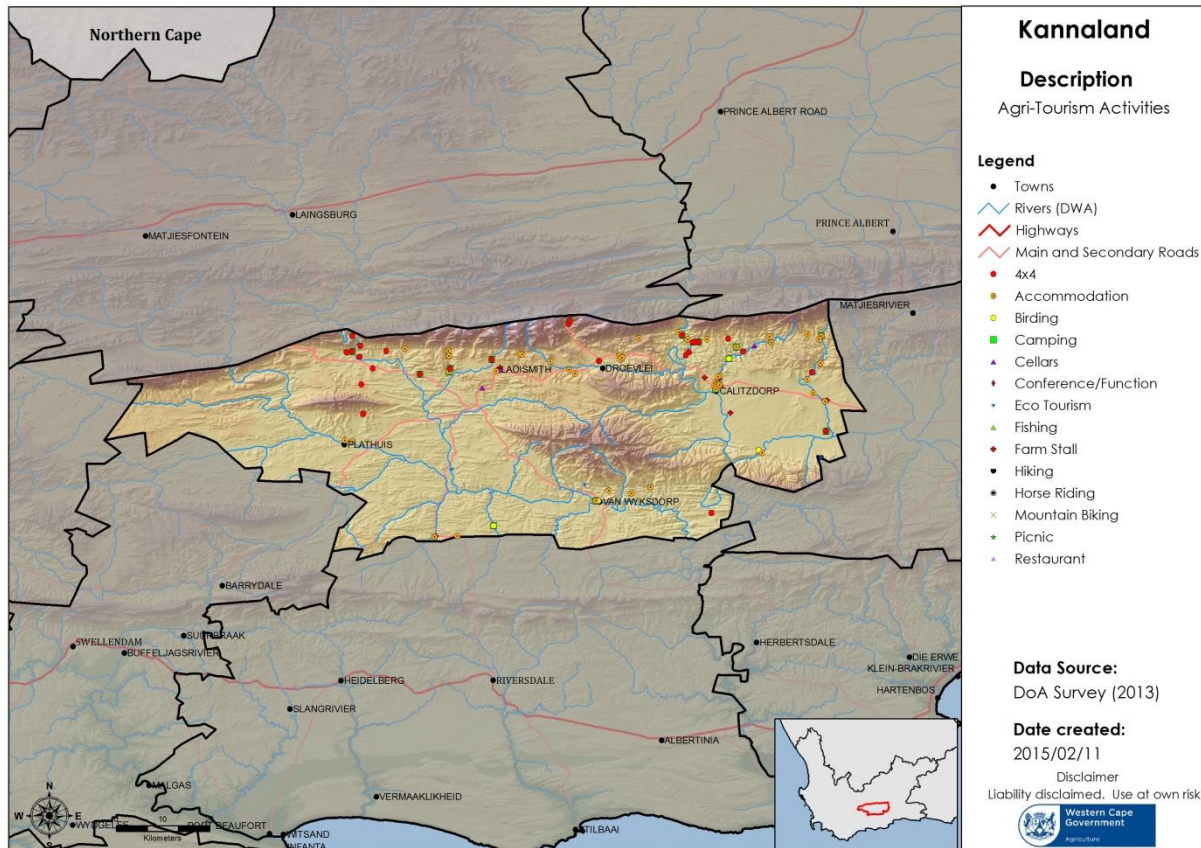
FIGURE 18: AGRI-PARK FRAMEWORK

Agri-parks will be farmer controlled and is aimed to be the catalyst around which rural industrialization will take place. It will be supported by government (10 years) to ensure economic sustainability. The idea is to strengthen partnership between government and private sector stakeholders to ensure increased access to services (water, energy, transport) and production on the one hand, while developing existing and create new markets to strengthen and expand value-chains on the other. The establishment of the Agri-park will create job opportunities for the local residents and will add to the economic growth of the district.

2.3.13.1 Agritourism

Type	Count	% of WC
4x4	26	10.8
Accommodation	62	3.2
Birding	16	7.2
Camping	15	6.3
Cellars	14	1.6
Conference/Function Venue	6	0.7
Ecotourism	14	4.8
Fishing	7	3.3
Farm Market	0	0.0
Farm Stall	7	3.3
Hiking	31	7.6

Horse Riding	5	3.1
Mountain Biking	23	7.6
Ostrich	4	28.6
Picnic	4	3.6
Quad Biking	2	4.9
Restaurant	18	2.3



2.3.13.2 Economic value of main commodities

Rank	Area (Ha)	Crop	% of WC
1	7142.7	Lucerne	1.8
2	970.3	Wine Grapes	0.9
3	753.3	Fallow	0.8
4	674.4	Planted Pastures Perennial	0.3
5	643.9	Apricots	20.3
6	556.0	Natural grazing	0.5
7	350.5	Onions	7.4
8	300.8	Small Grain Grazing	0.2
9	296.5	Plums	5.1

10	291.3	Peaches	3.7
	1024.6	Balance	

TABLE 8: ECONOMIC VALUE OF COMMODITIES

2.3.13.3 Livestock

Type	Count	% of WC
Cattle	7008	1.8
Goats	9635	6.3
Horses	219	1.7
Ostriches	25308	12.0
Pigs	838	1.0
Sheep	14001	0.9

TABLE 9: LIVESTOCK

2.3.13.4 Targeted Commodities

Proposed Agri-park commodities have been identified with inputs from the District and Local Municipalities and DAMC using the following criteria:

The presence of an existing sustainable production advantage (both currently and into the future); and Commodities produced by small and emerging farmers which could help them achieve economic independence and sustainability, contribute to GDP growth for the district and where they require support in order for this to happen.

The impact and possible future impact of the commodity (ies) on the local economy by way of contribution to the GDP and job creation. Commodities with high potential growth and high potential of job creation.

2.3.13.5 Land Classes

Table 2: The area covered by level one and level 2 land classes in the Kannaland and Oudtshoorn Local Municipalities, and Eden District Management Area.

Landcover (Hectares)		Kannaland	Oudtshoorn	DMA04	Total Municipal PD
Level 1	Level 2				
Natural		380,884	251,232	320,205	952,320
Natural	Natural	118,886	133,629	217,416	469,931
Natural	Near Natural - AIP	18,199	17,882	11,028	47,108
Natural	Near Natural - Mod Degr	243,798	99,721	91,761	435,280
Natural	Unknown	-	-	0	0
No Natural		21,795	41,092	57,925	120,812
No Natural	No Natural Agric	17,279	34,962	53,584	105,826
No Natural	No Natural Dam	775	1,261	934	2,970
No Natural	No Natural Urban	668	2,010	368	3,045
No Natural	No Natural - Other	3,074	2,859	3,039	8,972
Degraded		72,770	61,033	38,499	172,302
Grand Total		475,449	353,357	416,629	1,245,435

Table 4. Summary table of number of vegetation types found in each Ecosystem Status Class

Municipality	Kannaland	Gudtshoorn	DMA04	Total Municipal PD
Ecosystem status (# Vegetation units)				
Critically Endangered	8	6	4	12
Endangered	10	6	2	13
Vulnerable	11	9	6	19
Least Threatened	125	62	51	191
Total Number	154	83	63	235

FIGURE 19:
VEGETATION TYPES

Agricultural Infrastructure

Type	Count	% of WC
Abattoir - red meat	1	1.8
Abattoir - white meat	0	0.0
Agro processing plant	4	1.5
Airfield	3	1.8
Chicken batteries	0	0.0
Chicken batteries - broilers	0	0.0
Chicken batteries - layers	0	0.0
Chicken hatchery	0	0.0
Cool chain facilities	0	0.0
Crush pen	91	3.0
Crush pen and dip tank	6	1.9
Dairy	17	2.2
Dam	672	2.1
Feedlot - beef	0	0.0
Feedlot - pigs	0	0.0
Feedlot - sheep	0	0.0
Fruit cool chain facilities	0	0.0
Fruit packers	0	0.0
Grain dam - Commercial	0	0.0
Homestead	431	7.7
Homestead - labour	84	0.6
Nursery	0	0.0
Other	0	0.0
Packhouse	13	2.1
Piggery	0	0.0
Shade netting	0	0.0
Silo bags - Commercial	6	27.3

Silo bags - Non Commercial	0	0.0
Silos - Commercial	0	0.0
Silos - Non Commercial	0	0.0
Tunnels	5	0.6

TABLE 10: AGRICULTURE INFRASTRUCTURE

2.3.14 Integrated Rural Development

The Kannaland Municipality has motivated that the municipality must be declared a Comprehensive Rural Development (CRDP) node by the Department of Rural Development. Approval is still awaited. The Council approved Spatial Development Framework provides the municipality with a credible roadmap to develop rural nodes within the municipality.

According to the Integrated Rural Development Strategy of National Government, rural areas throughout the world tend to have similar characteristics. The Kannaland Municipality is no different and is also characterised by the following:-

- i. Populations which are spatially dispersed.
- ii. Agriculture which is the dominant, and sometimes the exclusive economic sector,
- iii. Opportunities for resource mobilisation which are limited.
- iv. Infrastructure backlogs.
- v. These characteristics mean that people living in rural areas face a set of factors that pose major challenges to development.
- vi. The spatial dispersion of rural populations often increases the cost and difficulty of providing rural goods and services effectively.
- vii. The specific economic conditions in rural areas result in fewer opportunities than in non-rural locations.
- viii. Consequently, the tax base is limited, so rural areas are rarely able to mobilise sufficient resources to finance their own development programmes, leaving them dependent on transfers from the centre.
- ix. Factor markets in rural areas often operate imperfectly, rendering the search for efficient outcomes an extremely challenging one.
- x. Furthermore, rural areas are often politically marginalised, leaving little opportunity for the rural poor to influence government policies.
- xi. Policies have also consistently discriminated against agriculture through high levels of taxation and other macro-economic policies that have adversely affected agricultural performance and the rural tax base.

In defining itself as a rural municipality, the Kannaland Municipality seeks to understanding the multitude, complexities and challenges that rural communities face. In doing so the municipality is able to partner with developmental agencies around access to developmental programs that are aimed at improving the quality of life of rural households. This will also identify the economic potential of each area. The rationale of declaring Kannaland Municipal area a rural development node, is to access resources to:

- i. Promote the implementation of land reform policies of national government through its Spatial Development Framework, Integrated Development Plan and leverage existing council resources such as property and operational budget to promote investment and co-funding.
- ii. Promote the stimulation of agricultural production with a view to contributing to food security through its LED strategy.
- iii. Promote the enhancement of rural livelihoods and rural food security through the LED Strategy;
- iv. Improve service delivery to ensure quality of life – increased investment in the delivery of services to rural areas, including housing, water, sanitation and energy – using, where appropriate, alternative technologies to overcome physical and other impediments by working with provincial and national government through the Housing and Infrastructure program and policies;
- v. Implement a development program for rural transport – the formulation of a Rural Transport Program that will aim at promoting rural transport infrastructure and services through coordinated rural nodes and linkages by working with provincial and national government through its Rural Transport Strategy.
- vi. Partnering with the provincial and national government to promote skills development and accessing financial resources elsewhere.
- vii. Revitalization of rural towns by accessing spatially targeted grants for the revitalization and development of rural towns to serve as service centres for rural economies. This will involve the development of hard and soft infrastructure, including institutional networks for marketing, storage, advisory services, finance and improved agro-logistics;
- viii. Through the Kannaland Local Economic Development Strategy explore and support non-farming economic activities through initiatives which need to be devised to support other forms of rural potential, including tourism, light manufacturing and cultural work;
- ix. Through the IDP, create a platform through which agencies, working towards better focus of energies, integration of efforts, optimal utilisation of resources and initiatives to promote rural development.

2.3.14.1 Ecosystem Status

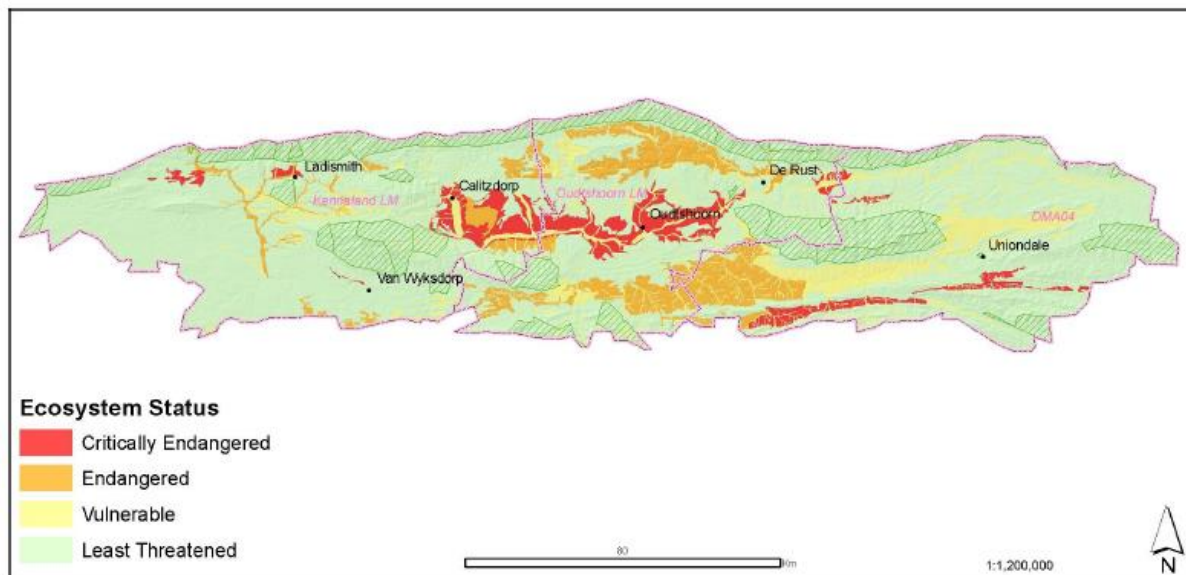


Figure 12: Terrestrial ecosystem status (transformation and degradation combined). Due to the high levels of transformation and degradation 12 habitat types are Critically Endangered, 13 are Endangered and 19 are Vulnerable. A total of 235 habitat types are described in the planning area by Vlok et al. 2005.

FIGURE 20: ECOSYSTEM STATUS

A small portion of one national park (Garden Route National Park), ten Western Cape Provincial Reserves, one Eastern Cape Provincial Reserve, four Mountain Catchment Areas, seven Cape Nature biodiversity stewardship sites and numerous private conservation areas are represented in the planning domain (provincial reserves, national parks, mountain catchment areas and contracted biodiversity stewardship sites were considered Formal PAs in protection status calculations, private reserves are classed as informal CAs).

Protected Areas cover 30.4% of the planning domain with 229,4961ha (18.4%) being formal protected areas and 149,103ha (12%) comprising conservation areas.

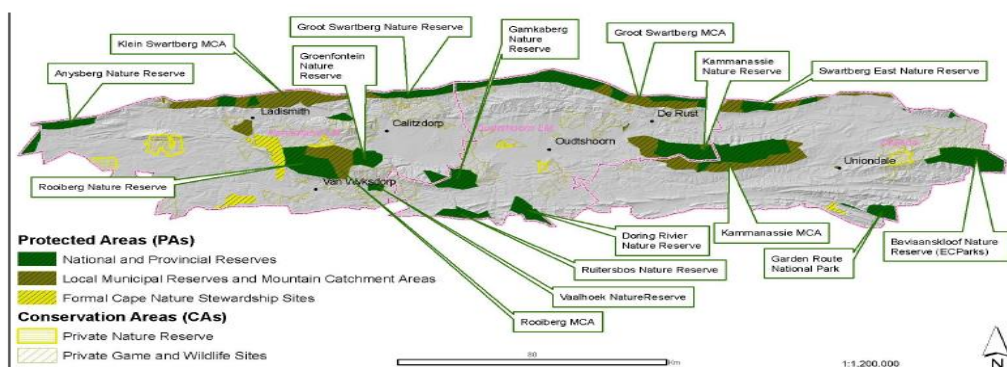


Figure 13: Protected areas in the Kannaland Municipality, Oudshoorn Municipality and Eden District Management Area. A small portion of the Garden Route National Park is represented, ten Western Cape Provincial Reserves, one Eastern Cape Provincial Reserve and four Mountain Catchment Areas. Seven Cape Nature biodiversity stewardship sites and numerous private conservation areas (provincial reserves, national parks, mountain catchment areas and contracted biodiversity stewardship sites were considered formal PAs in protection status calculations, private reserves are classed as informal CAs).

FIGURE 21: PROTECTED AREAS

2.3.14.2 General Priority issues/challenges

2.3.14.2.1 Focus on water

In the current environment of large scale and rapid urbanisation and the pressure to create employment opportunities that result in sustainable and dignified livelihoods, agricultural water use has had a rather low priority. However, the severe impact of the recent drought has again brought the importance of irrigation to the forefront as the country would have been dumped into a much worse position had irrigation not supplemented dryland production, not only to boost food production but also to provide vital support with respect to employment in the industry. In its initial research for the planning commission, BFAP showed that the actual water required to expand the total area under irrigation by 142 000 ha in order to contribute to a million job opportunities by 2030 was manageable, despite the major challenges the country faces with respect to water resources.

2.3.14.2.2 Cash-flow

One of the greatest challenges for drought affected farmers is the ability to restore a farm's cash flow position to ensure a positive cash balance at the end of a year. Climatic challenges remained a factor as the drought conditions and extremely high temperatures in December 2017 and January 2016 altered and provoked irrigation management strategies and innovations.

2.3.14.2.3 Ease of Doing Business

Beyond regional commitments, there is evidence of improvements in domestic marketing policies and regulatory environments. The distance to frontier score benchmarks countries' economies with respect to regulatory best practices. It shows how the regulatory environment for local entrepreneurs has changed over time in an economy.

2.3.14.2.4 Enabling the Business of Agriculture

In the Agricultural sector, we observe improved policies aimed at supporting inclusive participation in agricultural value-chains and fostering an environment conducive to local and regional private sector investment.

2.3.14.2.5 Rise of medium-scale farmer and large-scale land acquisitions

The demand for agricultural land in Africa has risen dramatically since the surge in global food prices starting in 2007. This demand has been accelerated by agricultural subsidies and land policies in many countries. Recent studies have found relatively wealthy Africans (both rural and urban) are investing in land at an unprecedented rate leading to the rapid rise of medium-scale farmers in Africa.

2.3.14.2.6 Megatrends

Strong economic growth linkages between agriculture and other segments of the economy mean that expanding the productive capacity and economic returns of agriculture could promote an inclusive pattern of economic growth with stronger multiplier effects on employment creation and poverty reduction. Many expect urbanization, income growth and an expanding population to result in a migration of labour from farming to nonfarm sectors as well as the downstream stages of food systems.

2.3.14.2.7 Climate Change

Given the vast variation in climatic zones on the continent, the impacts of climate change on country-specific farming systems will vary and is difficult to predict. However, there is consensus on two general predictions of climate change; these include greater variability in agricultural production and a decline in crop productivity. The alternative, ecological intensification of agriculture would require minimizing the constraints to appropriate technology adoption; focusing on sustainable water use through irrigation; and implementing best farming practices. Given the rising competition for water (to date, 70% of available water is used by irrigation farming) it will be imperative that agriculture focus on developing irrigation technology that improves water use efficiency and enhances our ability to adapt to climate change

2.3.14.2.8 Fruit sector

Strong growth in fruit exports in recent years has allowed the sector to make a positive contribution to economic growth and job creation. Aggregating total exports of apples, pears, peaches, plums and apricots from South Africa into the global arena.

2.3.14.2.9 Commercial deciduous fruit farming in SA

The outlook for market prices, both locally and internationally, remains positive reflecting a marginal increase even in real terms. This suggests some relief for producers in combating the proverbial price-cost squeeze. Investments tend to follow product prices as proxies for willingness to undertake risk and hence to establish and replace orchards.

Apple and pear producers operate in a particularly uncertain decision making environment, facing continuous change such as dynamic technological innovations, exposure to international markets as well as changing national and international legislation and regulations. The sustainability of pome farming systems will therefore be influenced by economically rational decision-making and the ability to adapt to a changing decision making environment. Not only technical efficiency (like irrigation

scheduling, orchard practices, etc.), but also strategic planning and innovative management are important to accommodate trends and drivers of change such as:

- Irrigation dependence - in future the total share of available water to agriculture will probably decline. Furthermore, climate change will have an effect on rainfall and temperatures. Thus the need for optimal irrigation efficiency cannot be overstated. Furthermore, choice of pome cultivars when replacing orchards and even choice of enterprises will become more important as rainfall patterns and intensity change and minimum and maximum temperatures in crucial periods of the production year change.
- The ratio between the cost of labour and capital (like mechanical equipment) will influence employment patterns. The use of specific capital equipment, like mechanical platforms can increase labour efficiency and productivity.
- The share of exports in production implies that the exchange rate is an important driver of the profitability of these crops.
- Fruit production systems have to adhere to specific national and international food safety and environmental legislation and regulations, as well as to standards set by various local and international retailers (e.g. GLOBAL G.A.P.).
- Education and training of farm workers is important, contributing to, amongst others, higher productivity, better communication and job satisfaction. Investment in quality training facilities and schools (on national and provincial level) will improve the quality of human capital.
- Plant density, tree shape, canopy management and orchard design can contribute to higher production and better quality fruit. The efficiency of activities like thinning, pruning and harvesting will also be influenced by these considerations.
- Netting for shade and / or hail protection could be considered in specific producing areas.
- How the National Development Plan will unfold and materialise, and specifically the effect of the land reform policy and programmes, small farmer development and Agricultural Broad Based Black Economic Empowerment (AgriBBEE) will influence the structure, stability and prosperity of the commercial deciduous fruit farmers. .
- Lack of clarity and various versions of possible land reform increase uncertainty and can amongst others affect the replacement strategies of orchards, employment patterns, food security and export potential of the country.

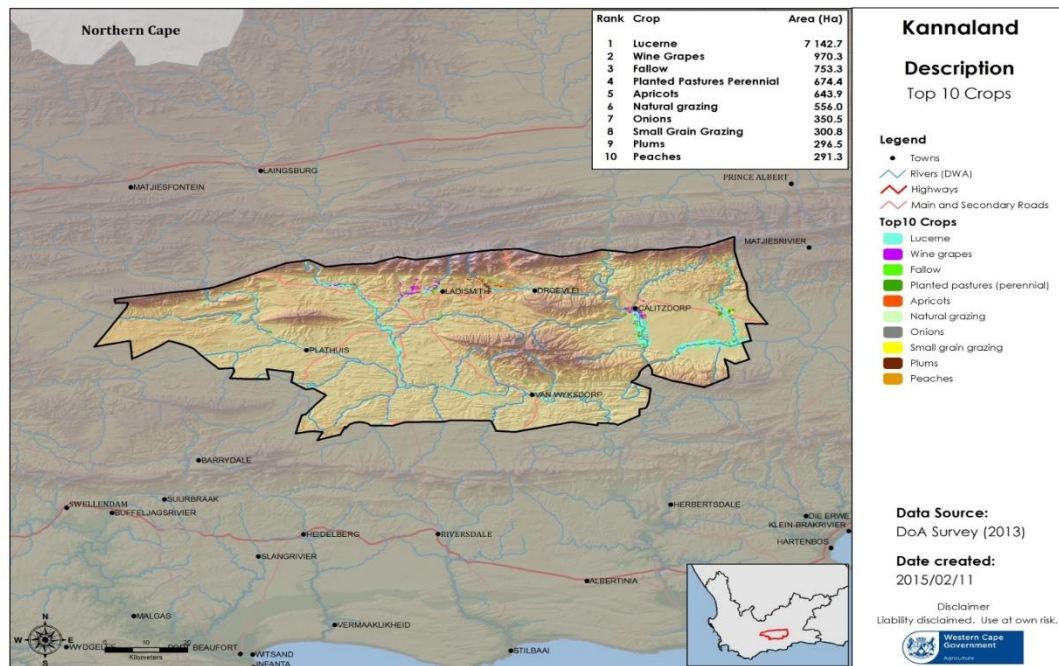


FIGURE 22: DOA SURVEY 2013

2.3.15 Spatial Alignment

A Municipal Spatial Development Framework (MSDF) is a long-term development strategy required in terms of the Municipal Systems Act 32 of 2000 and forms part of the Integrated Development Plan (IDP). The main aim of the MSDF is to clearly outline the spatial status quo of the Municipality, identify the opportunities and threats and then set out the local authority's goal, strategies and supporting policies in achieving medium - and long-term growth. It must give spatial expression on the Municipality's service delivery and development agenda. Furthermore, it clarifies and directs development and management activities in urban and rural areas in alignment with National and Provincial spatial planning legislation.

2.3.15.1 Legislation Regulating Municipal Spatial Development Frameworks

A host of new planning legislation applicable to MSDFs has been brought into operation since 2014, starting with the introduction of the National Spatial Planning and Land Use Management Act (SPLUMA) in 2013. SPLUMA, in conjunction with various other pieces of legislation (listed hereunder), have effectively replaced the former Western Cape Land Use Planning Ordinance, 1985, and now guide spatial planning and land use management in the Republic.

The Spatial Development Framework (SDF) is the 20 year Development Plan for Kannaland Municipality was reviewed and adopted by the Kannaland Council (during the 2013/2014 financial year). As the Municipality does not have an in-house spatial planner and was unable to obtain budget resources to procure a service provider, the review and updating of the SDF has not been completed.

The Municipality will engage with the Eden District Municipality and the Provincial government to obtain resources to review and update the SDF during the 2018/19 financial year. For the purpose of the IDP, the approved SDF will be used as a basis for alignment even though the projects identified in the SDF may be misaligned with the IDP and the Budget.

The Kannaland SDF makes specific recommendations concerning the following elements:

- Bio-regions;
- Spatial Planning Categories (SPCs) for Land Use Management;
- Sustaining the economy;
- Major infrastructure projects;
- Major Tourism Destinations;
- Land Reform;
- Urban Related Development;
- Climate change;
- Urban design guidelines;
- Potential rural nodes and periodic rural markets; and
- Settlement hierarchy and structure.

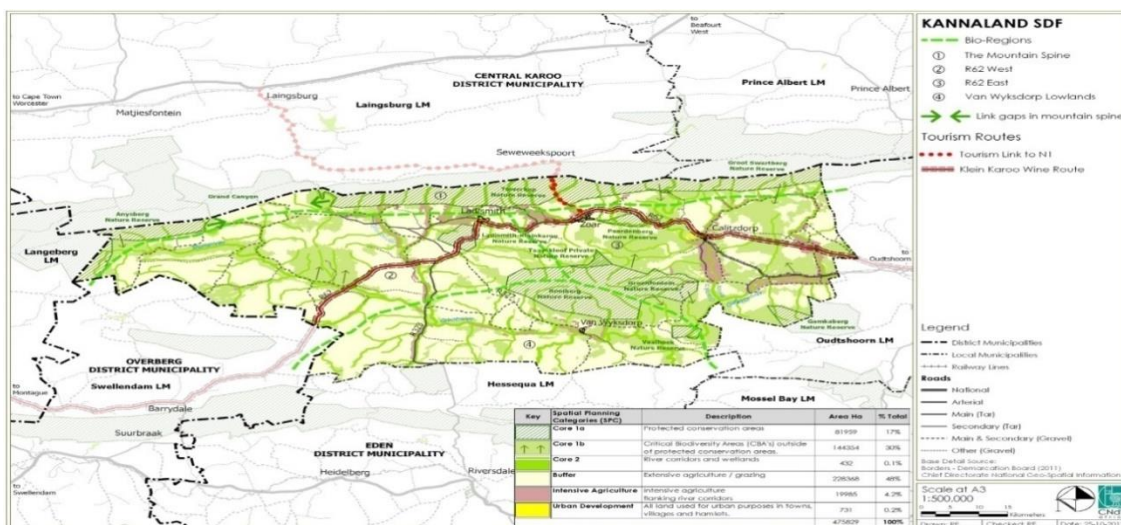


FIGURE 23: KANNALAND SDF – REFER TO FIGURE 5.3.1.1 IN SDF

The SDF must be revised every 5 years therefore the Kannaland Municipality should prioritise as well to source funding / support from the lead departments to amend and review the Municipal Special Development Plan during the 2018/19 financial year.

The following diagram illustrates the alignment of the sector plans with the Municipal Spatial Development Framework (MSDF). The ultimate objective of this one holistic planning approach which

commences with development of an SDF (that is inclusive of all current and future developments) is to inform and align operational plans ensuring planning is streamlined across sector departments.

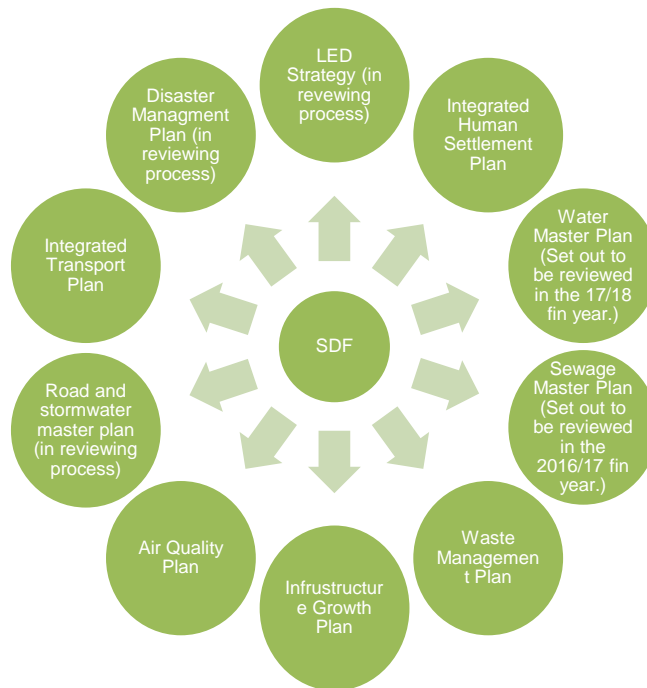


FIGURE 24: SDF ALIGNMENT WITH SECTOR PLANS

The current SDF outlines various catalytic projects for Kannaland spatially as well as future economic initiatives. The SDF is attached to this IDP (*It should be noted that the SDF will be updated and reviewed as soon as the resources for doing so has been obtained*). Throughout this IDP projects are being promoted which will be initiated as per listed financial years.

The SDF put forward spatial proposals for:

- Rural Areas (natural environment, agricultural areas and land reform)
- Tourism
- Urban related development

The SDF identified that the rural areas of the Kannaland Municipality should be classified per Spatial Planning Categories (SPC's). These include:

- Indicate areas like corridors on zoning maps and other planning maps to ensure their preservation and protect these areas from undesirable land uses.
- Overgrazing should be discouraged and the eradication of alien plant species promoted.
- Environmental management plans need to be formulated as apriority.
- The Kannaland Municipality should market the proposed ecological corridors and accordingly implement land use control over these areas.
- In terms of tourism the following goals are provided:

- Develop tourism in a sustainable manner for the benefit of all in the municipality.
- Promote tourism in order to create jobs.
- Increase disposable income levels of community members through increased tourism opportunities.

A complete review of the Kannaland MSDF is planned for the 2017/18 financial year, leading in to 2018/19 financial year. The envisioned project time frame is 16 months, as stipulated by the Spatial Development Framework Guidelines 2014, compiled by the National Department of Rural Development and Land Reform (DRDLR).

The review will aim to ensure compliance with the procedural as well as content requirements in terms of all the applicable legislation. Tender specifications are current will rolled out for the appointment of a specialist team of consultants to head the review, consisting of town planners, engineers, environmental practitioners, economists and GIS professionals.

The current status of the MSDF illustrates a misalignment of the objectives in the IDP as well the proposed projects for the outer financial years. However below is a diagram where the MSDF's objectives is linked to the current IDP Objectives (2017-2022).

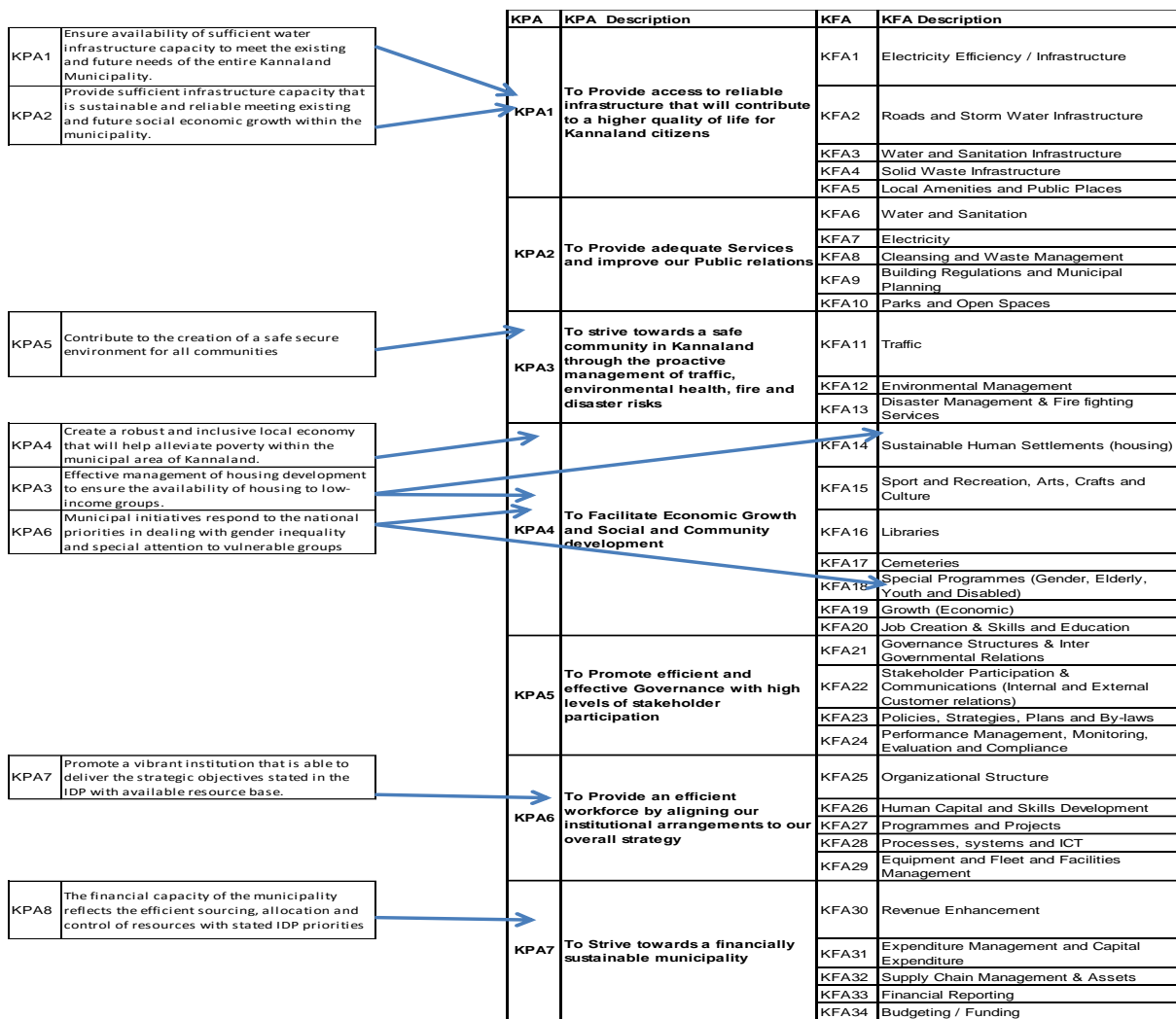


FIGURE 25: OBJECTIVES LINKAGE

2.3.15.2 Bio-Regions

The SDF identifies key structuring elements that can help to distinguish different bio-regions according to the patterns of the natural environment, social economy and built infrastructure of the municipality. Four bio- regions have been identified:

- The Mountain Spine
- S1 Encourage closing of the gap between Anysberg and Klein Swartberg on the Kannaland side of boundary through donation or resort zone development in exchange for conservancy (similar to recent Grand Canyon process);
- S2 Promote protection of CBAs on lower slopes through stewardship and strictly controlled wilderness tourism developments which should be informed by design guidelines to minimize visual and ecological impacts.

R62 West

- Increase brand marketing of R62 with public facilitation and resources where possible;
- Intensive farming areas should enjoy the highest level of protection, particularly where they are in easy transport access of settlements;
- Promote protection of CBAs along river corridors and on the Touwsberg through stewardship and strictly controlled wilderness tourism developments to be informed by design guidelines to minimize visual and ecological impacts.

R62 East

- Increase brand marketing of R62 with public facilitation and resources where possible;
- Incentivise and promote Zoar and Amalienstein residents to take advantage of the tourism potential along the R62;
- Ensure all future BNG housing does not detract from the visual quality of the settlement;
- Intensive farming areas should enjoy the highest level of protection, particularly where they are in easy transport access of settlements.

2.3.15.3 Spatial Planning Categories For Land Use Management

The Spatial Planning Categories provide the basis for managing rural land uses. The general conditions guiding what activities may occur within each category are generally in accordance with

- Core 1a Formally protected conservation areas
- Core 1b Critical Biodiversity Areas
- Core 2 River corridors and wetlands

Urban Areas

This includes the areas that are or will be used for urban related activities. All these areas should be included in a defined Urban Edge. These include the settlements of:

- Ladismith;
- Calitzdorp;
- Zoar; and,
- Van Wyksdorp

Rural Nodes

- Hoeko

- Voorwaart;
- Warmbad; and,
- Dankoord.

Extractive Industry

These include all mining activities in the Municipality. The promotion of settlements at mines should not be encouraged. The labour force to support mines should be accommodated in the existing urban areas or proposed rural nodes (if found viable).

Wind and Solar Energy Generation

These include all wind and solar energy generation facilities. These facilities should be promoted to support the supply of electricity in the municipality and the provision of basic services to those in need. These projects are to be sensitively placed to not negatively impact on the surrounding urban, agricultural or natural environment (see Section

Sustaining the Economy

Although Kannaland faces major poverty and employment challenges it is a well-resourced municipality compared to many other including in the Western Cape. These resources include:

· Almost all of the municipality can be considered to be an area of outstanding natural beauty and bio-diversity significance with great appeal to the wilderness and adventure tourism market:

- Eco-resorts and getaways;
- Hiking;
- Bird-watching;
- Organised and informal mountain biking; and
- Self-drive and motorcycle touring;
- Agriculture and its associated industries including wine and dairy represent another tourism market;

The heritage and urban environment of the settlement are a third, with particular attention being paid to the upgrading of Zoar and Van Wyksdorp with their potential appeal to the cultural tourism market; As mentioned previously, it is important that public housing projects are designed and laid out so that they enhance rather than undermine this potential; The municipality should be considered fortunate in that major beneficiation of agricultural products in the form of cheese, dairy, wine and port occurs at processing plants and wineries within its boundaries rather than the raw material being exported to value adding enterprises elsewhere.

These secondary economic sectors require higher staffing skills and hence have the potential to encourage improved human resource levels and incomes.

However, the current infrastructure shortfalls need to be urgently addressed, either directly or through the promotion of alternative technologies; as well as infrastructure these enterprises also require that the underlying resource of good agricultural land, especially that used for irrigation farming is kept intact and where possible extended. Urban development and other uses which could destroy this resource should be located where it is not necessary to take land out of production; and, it is essential that access to all these economic sectors, agriculture, manufacturing and tourism be broadened through land reform, mentoring and entrepreneurial development projects.

2.3.15.4 Major Infrastructure Projects (as per SDF)

The following projects should be considered:

- Implement a multi-pronged water management strategy;
- Rainwater harvesting;
- Grey water recycling;
- Reducing unaccounted for water;
- Extension of regional water service delivery; and,
- Water demand management for large users.
- Promote domestic and large scale solar energy usage and projects such as wind and solar farms subject to appropriate guidelines and siting principles.

Tree Planting and Paving

Tree planting is one of the cheapest forms of urban upgrading with the greatest positive visual impact. This can be done together with upgrading of roads per town as identified through this document. The ideal is to make our towns more green friendly and will result in attracting visitors and possible investment.



The tree planting and paving projects can initially form part of the Extended Public Works Program (EPWP). They are labour intensive and cost effective. For example, broken bricks can be used for paving or pavers can be made on site. Planting trees helps prevent soil erosion, stabilizes



coastlines and increases land fertility. Trees also serve a role in water regulation: They can help stave off damage during flooding as well as conserve water during droughts.

2.3.16 Major Tourism Destinations

Ladismith, Calitzdorp and van Wyksdorp B&Bs, guesthouses, restaurants and places of interest;

- Cheese factory shops;
- Public and Private nature reserves and eco-resorts for hiking and MTB;
- Port and Wine Cellars;
- Scenic routes for self-drive and guided tours, especially Seweweeks Poort, R62, R327 and district road from Ladismith to Calitzdorp via Van Wyksdorp;
- Potential mission route and cultural tourism opportunities including Lutheran mission complex and church in Ladismith, SA Mission society church in Zoar and Berlin Mission Society church in Amalienstein;
- Zoar as potential cultural tourism centre along Hoof Street with B&Bs and cafes and Amalienstein mission as termination of Seweweeks Poort pass;
- Ensure that new development responds positively to the layout of historic settlements; and,
- There are no cultural landscapes with the Eden district which have any formal protection status. Various examples of representative cultural landscapes were identified in the Heritage and Scenic Resources:

2.3.16.1 Land Reform

- Land reform opportunities should not be targeted only at agricultural operations although this will always be the major activity;
- Bio-diversity conservation and eco and agri-tourism operations should also be considered; and,
- Future land reform projects should carefully consider the context in which they are located and then seek to take advantage of that area's opportunities, not only in agriculture.

2.3.16.2 Settlement Guidelines

Walking Distance as the Primary Measure of Access

The need to ensure that people have access to a variety of opportunities is implied in a number of the DFA principles (S3(c)(i), (iii)). This requires an understanding of the relationships between different activities in terms of spatial proximity (close and far), access and time. In the past accessibility has usually been considered in terms of travel time in private vehicles, however, this measurement is not only environmentally unsustainable, as it is mostly dependent on access to private motor vehicles but

also reflects a denial of the reality that the majority of our citizens do not have private vehicles, may not always be able to afford public transport and thus have to spend significant time and energy walking to fulfil their needs. Thus appropriate walking distance should always be used as the measure for accessibility.

Land use integration and interface

The implementation of the walking distance principle to promote greater access to opportunities for all people, will require the functional integration.

Socio-Economic Integration

The principle of access and integration, also requires socio-economic integration (DFA principle S3(c) (i),(vii)). Little progress has been made in this regard since the advent of democracy. In reality there is often community resistance to integration of poor, middle and high income communities, and bank valuers often downgrade property values where informal settlements or low income housing is provided in close proximity to middle and high income housing.

The use of a socio-economic gradient with relatively small differences in income and property value between adjacent communities can help mediate this problem.

In particular efforts should be made to locate low income neighbourhoods nearer to the core or nodes of settlements and away from the periphery.

Intensification Corridors and Linkages

Principles:

- Sensitive infill and redevelopment of major arterial axis in clearly defined precincts;
- Corridors to concentrate activities and support its speedy initiation especially in more rural areas, should be delineated to include one erf on either side of the identified street, otherwise called the spine of the corridor;
- Show sensitivity towards existing heritage buildings;
- Enhance the street experience through landscaping and guiding the architecture of new developments;
- Encourage a multiple level of entry into the economic market and enhance job creation, the intensification corridors should be limited to residential, office and retail uses and only compatible light industrial uses, e.g. non-nuisance manufacturing or craft activities that may require a retail outlet on the same premises;
- Define a single uniting structure of intensification corridors, nodes and linkages between town and township; and,
- Encourage supporting densification pattern and infrastructure provision.

Sub-centre Nodes

Three levels of hierarchy of urban nodes containing business and community facilities shall be clustered together as far as possible to provide satisfactory access and clustering of activities

- Primary: primary schools, crèches, clinics, bus and mini-bus taxi stops; and,
- Secondary: high schools, day care centres, hospitals, libraries, sports and community halls, sports fields;

Nodes should be managed to concentrate the business therein and where growth is required, the node should be encouraged to grow along the corridor towards each other. This is to manage and prioritise in a strategic manner, the implementation of needed infrastructure and to provide the greatest opportunity of success of these businesses.

Urban Edge

These should be reviewed to ensure that:

- Sufficient protection is given to land requiring protection, inter alia, the agricultural land currently under cultivation and CBAs;
- That compaction rather than expansion of urban settlements is encouraged to promote non-motorised transport modes where appropriate;
- Urban Edges which provide sufficient land for the development of the needs of the area for about 20 years, given the current growth rate, is proposed around the exiting urban footprint; and,
- It is proposed that these urban edges only be realigned based on actual need and once all the existing under or unutilized vacant land has been developed.

Infill, Densification and the Suburbs

It is clear that significant infill and densification is required in order to restructure the settlements in the Municipality. Well located land has been identified to contribute to this important goal.

Wind and Solar Farm Siting Principles

The following wind farm siting principles are proposed to be used as a first set of questions to guide potential developers of wind and solar farms. Terrain suitability need to be investigated and should include the following typical aspects in the design process:

- Slopes by gradient classes;
- Rocky areas;
- Soil type and permeability; and,
- Natural watercourses and areas with high water table, Rainfall data; and

- Vegetation.

Infrastructure

The following principles shall apply:

- Ensure a base level of services only is available for all residents in the Municipality including those households qualifying for indigent grants;
- Where possible implement GAP housing schemes as part of subsidy projects so as to help cross-subsidise required infrastructure projects;
- For low density settlements, where the high cost of conventional grid services are prohibited and not preferred and to promote sustainable use of natural resources reduce dependency on conventional grid services,

The following are proposed:

- Promote the use of solar hot water projects so as to help cross-subsidise infrastructure costs;
- Promote use of solar of water heaters, PV panels, grey-water recycling, waste separation at source, and passive building design to as to minimize energy, solid waste and water demand, see Figures (a) and (b); and,
- Encourage rainwater harvesting and grey water (water from hand basins and kitchen sinks) recycling,

Land use restrictions are set:

- Height:
- Setback
- Site Development Plan (SDP)
- Visual and environmental impact
- Finishing and Colour

Urban Design Guidelines

Create open space systems that integrate the elements of a settlement to contribute to a meaningful urban structure. This can be done by:

- Providing connectivity between open spaces;
- Establishing linkages between open spaces;
- Aligning the open space system with public buildings; and
- Ensuring an improved quality of linkages through the continuation of special activities or functions along major routes.

- Locating buildings around open spaces and streets so that sufficient enclosure is created;
- The appropriate height of buildings; and
- Locating the highest buildings to the southern side of the open space, with lower buildings or trees on the northern side.
- Concentrate intensive activities along major vehicular and public transport routes;
- Locate majority of public buildings and increase densities along these routes; and
- Locate buildings closer rather than further from the streets to increase pedestrian activity, a sense of enclosure and surveillance.

Potential Rural Nodes and Periodic Rural Markets

The potential of rural nodes is derived from the rural economic opportunities that are generated by their location and “attracting force”. However, in some nodes these forces are so small that permanent infrastructure or services cannot justify permanent buildings or staff. Initially, these nodes, can be supported through periodic markets at which mobile services, for instance, home affairs, pension pay outs, clinics, libraries can be dispensed.

This approach could be applied at settlements with low threshold populations to ensure that the necessary services can be provided. Where such facilities do not exist, periodic service centres should be established for coordinated use by a wide variety of government, nongovernment and private organisations.

These periodic service centres should be located at points of highest access according to the same principles. The services of various government departments and private sector organisations should be co-ordinated into a mobile caravan of dedicated buses and vans which travels from periodic service centre to periodic service centre stopping for morning or afternoon sessions as appropriate.

Local arts and crafts people and business people should be encouraged to trade in the stop-over periods of the mobile service caravans at the periodic service centre. The location of shops and abattoirs should also be encouraged here. This strategy should be considered for Zoar, Amalienstein and Van Wyksdorp.

- There is potential for fruit processing and manufacturing
- Agri tourism needs to be promoted
- We are ashamed of the town because it is dirty.
- A money problem cannot be solved with money. What you have needs to be managed correctly.
- There is no culture of transparency in the municipality. We do not see how the money the municipality receives is spent.

Settlement Hierarchy and Structure

Kannaland Municipality's settlement hierarchy and structure comprises the following settlements along the R62:

- Ladismith has the largest population and number of economic activities, including manufacturing;
- Calitzdorp and Zoar has a higher population but far less economic activity than the former; and,
- Van Wyksdorp is isolated from the main settlement system along the R62. It is tucked away to the south at the foot of the Rooiberg near the Groot River.

Integrated Human Settlements

The municipality developed and approved a Human Settlement Plan in 2016 which will manage the overall housing projects in the municipal areas. The purpose of this Human Settlement Plan is to feed into the Provincial Multi Year Housing plan. To establish a medium to longer term (i.e. 20 year) strategy for the development of integrated and sustainable human settlements within the municipality's area of jurisdiction.

To identify specific priority projects emanating from these programs for which more detailed planning is required to implement them. Furthermore, this draft HSP guideline will assist the local municipality in the following:

- Guiding the vision of municipality.
- Delivering integrated and sustainable human settlements through the compilation of credible HSPs.
- Drawing linkages with the IDP process with adequate information about the housing projects, their benefits, parameters as well as strategic and operational requirements.
- Ensuring that the contents and process requirements of planning for sustainable human settlement development are adequately catered for.

The municipality has developed a draft housing selection policy which was finalized in 2013/14 financial year. This policy regulates the housing waiting list and the allocation of housing. This policy also enables the council to determine the demand for housing in both rural and urban areas.

Aside from this long term strategic planning, the municipality plans to facilitate the transfer of Rural Development Programme (RDP) IRDP houses in Ladismith. The Subdivisions have been registered with the Surveyor General and have been included in the general plan of the town. The provision of human settlements is a high priority for the municipality. Challenges do exist with regard to the capacity of bulk infrastructure services with specific reference to waste water treatment works and water works.

This has delayed the delivery of human settlements over the past few years which has resulted in the significant increase in the housing waiting list.

A Housing Pipeline was developed to assess the demand for low and middle income groups housing in Kannaland. Given the high unemployment in towns and the agricultural nature of the local economy which is affected by the national and international trends toward a magnetization of the agricultural sector has resulted in a significant increase in the demand for low cost housing. The non-availability of homes for the middle income grouping which consisting of municipal workers, nurses, teachers, government officials, and ordinary factory workers and policemen has highlighted the demand for GAP housing.

Given the demand for low and middle income earners settlements, there is a serious need for a credible Human Settlement Plan. The plan will ensure long term planning with regard to the delivery of the appropriate infrastructure that will enable the municipality to address the backlog for low cost housing and make land available for GAP housing. A portion of GAP housing is also subsidised by the Department of Human Settlements depending on the salary bracket.

Given the expectation of economic growth resulting from water security and the ancillary job-creation prospect of the proposed dam and its construction, the provision of affordable housing and its supporting infrastructure, such as water, electricity, sanitation, sewerage, and roads are foremost in creating a sound and sustainable cradle for continuing development and growth. Once the reservoirs have been upgraded, the water capacity for this area will be sufficient to accommodate further house projects.

The table below displays the current housing demand within the Kannaland Municipality. It's evident that Ladismith has the highest demand for housing opportunities.

Town	Housing classification of housing demand list					Current HS demand
	Gap	Farms	Shacks	Backyard dwellers	Residents currently at parents	
Ladismith	92	117	206	269	577	1321
Zoar	45	100	45	20	335	545
Calitzdorp	116	311	28	182	456	1093
Van Wyksdorp	5	1	27	61	32	126
Total						3085

TABLE 11: HOUSING DEMAND LIST - HUMAN SETTLEMENT PLAN

Kannaland Municipality faces a small human settlements challenge in comparison to the rest of the region, although the level of service of their housing stock is generally poor. The housing backlog is a significant proportion of the total population of the municipality. Approximately 15% of households are inadequately housed and 67% earn less than R3 500 per month. The majority of the housing backlog occurs where the average household earning is less than R7 500 per month.

There are relatively few houses that are in the supply and acclaim gaps. Over the past financial years there has been an increase of informal settlements and informal dwellings, thus the municipality acknowledges that housing and access to economic opportunities is a high priority for this municipality.

The recent informal settlement shack count and verification study conducted by the province to gather necessary planning and prioritisation information on the numbers, level of services, density and living conditions within the informal settlements geared towards informing municipalities of current status of the informal settlement within the municipal area. The information presented in below was extracted from the study:

TABLE 12: INFORMAL SHACK

Towns	No of shacks
Ladismith	206
Zoar	45
Calitzdorp	28
Van Wyksdorp	27
Total	306

COUNT - HUMAN SETTLEMENT DEMAND PROFILE

Human Settlement Pipeline Projects:

Project Name/Description	Programme	Total No of Housing Opportunities	Earliest Implementation Year
3314 : Ladismith Permalat (280 services & 280 units) IRDP	IRDP	422 - EIA in Process	2018-19
3315 : Ladismith Schoongezicht GAP (170 services & 170 units) IRDP	IRDP	40 On Hold	2018-19
3316 : Ladismith Showgrounds GAP (350 services & 350 units) IRDP	IRDP	350 On Hold	2018-19
3320 : Ladismith Middleton Street Site GAP (78 services & 78 units) IRDP	IRDP	78 less	2018-19
3322 : Zoar Protea Park Infill (44 services & 44 units) IRDP	IRDP	44	2015- 16
3323 : Zoar Protea Park Rectification (100 units) RP	RP	44	2015-16 / 2016-17
3321 : Zoar Protea Park Infill (100 units) IRDP	IRDP	100	2020-21
2703/1128 : Calitzdorp Bergsig (671 services & 671 units) IRDP	IRDP	692	2014/15 Remainder to move to 2018-19 due to bulk
Calitzdorp Old Hospital Site (150 units) SH	Social Housing	150	2018-19
3324 : Van Wyksdorp Remainder Erf 110 (100 services & 100 units) IRDP	IRDP	100	2020-21

TABLE 13: SUMMARY OF CURRENT HUMAN SETTLEMENTS PIPELINE PROJECTS

2.3.16.3 Thusong Centre

The Thusong Service Centre in Ladismith which serve the Kannaland area with regards of government offices.

The location was chosen due to the proximity to existing bulk infrastructure.

Thusong outreach programs is currently conducted in partnership with other lead departments thus to educate the community on current and future programmes.



The municipality embarked on a project proposal to establish the thusong centre as a digital village for the youth. The social hub will include internet connection, tablets to ensure students can do research and homework.

Further planning on establishing e-centers in Calitzdorp and Zoar is in process whereby the municipality already submitted business plans to the relevant department and raised at the back to basic platforms.





Part C: Governance and Institutional Structures

Chapter 3: Governance and Institutional Structures

3.1 Political Structure

3.1.1 Municipal Council

The Council is the ultimate decision-making authority. Decisions to approve or amend the Municipality's integrated development plan (IDP) may not be delegated and have to be taken by the full Council.

3.1.2 Executive Mayor

In terms of the Municipal Systems Act and the Municipal Finance Management Act the Executive Mayor must:

- manage the drafting of the IDP;
- assign responsibilities in this regard to the municipal manager;
- submit the draft plan to the municipal council for adoption; and
- co-ordinate the annual revision of the IDP and determine how the IDP is to be taken into account or revised for the purposes of the budget.

3.1.3 Ward Committees

The role of the Ward Committees with respect to the IDP is to –

- assist the ward councillor (who is the chairperson) in identifying challenges and needs of residents;
- provide a mechanism for discussion and negotiation between different stakeholders in the ward;
- interact with other forums and organisations on matters affecting the ward;
- draw up a ward plan that offers suggestions on how to improve service delivery in the particular ward;
- disseminate information in the ward; and
- monitor the implementation process concerning its area.

3.1.4 Political Parties

The political oversight role resides within the Municipal Council. In terms of the Sections 79 and 80 of the Municipal Structure Act (Act 117 of 1998). The Municipal Council comprises of three political parties namely:

- African National Congress (ANC);
- Democratic Alliance (DA); and
- Independent Civic Organisation of South Africa (ICOSA).

3.1.5 Councilors

Council consist of 7 councillors:

		Position	Party	Wards
	EXECUTVE MAYOR Councillor Magdalena Barry	Ward Councillor	ANC	Ward 3:
	SPEAKER Councillor Alletta Theron	Ward Councillor	DA	Ward 4
	DEPUTY MAYOR Councillor: Phillipus Antonie	PR Councillor	ANC	Ward 3
	Councillor Hyrin Ruiters	PR Councillor	ICOSA	Ward 3

	CHIEF WHIP Councillor Werner Meshoa	Ward Councillor	ICOSA	Ward 2
	Councillor Jeffrey Donson	Ward Councillor	ICOSA	Ward 1
	Councillor Joshlyn Johnson	PR Councillor	DA	Ward 3

TABLE 14: COUNCILORS

3.1.6 Mayoral Committee

The Mayoral Committee is the advisory body of the Council. The Mayoral Committee comprises of the Executive Mayor, Executive Deputy Mayor and the Speaker.

3.1.7 Oversight Structures

3.1.7.1 Municipal Public Accounts Committee (MPAC)

The Municipal Public Accounts Committee is a committee of municipal Council appointed in accordance with section 79 of the Structures Act. This committee focuses mainly on compliance in accordance with of the Local Government: Municipal Finance Management Act, 2003. The MPAC furthermore exercise oversight over the executive functionaries of Council and ensure good governance in the Municipality. The terms of reference of the MPAC are as follows:

- Investigate unforeseen and avoidable expenditure (Section 29 of MFMA)
- Investigate unauthorised, irregular or fruitless and wasteful expenditure (MFMA Sec 32)

- Review the quarterly report of the Mayor on the implementation of the budget and the state of affairs of the municipality – SDBIP (Section 52 (d) of MFMA)
- Review the monthly budget statements (Section 71 of MFMA)
- Review the mid-year budget and performance assessment (Section 72 of MFMA)
- Ensure disclosure of Councillors, Directors and Officials. (Section 124 of MFMA)
- Review of Financial Statements before the submission to the Auditor General (AG) (Section 126 of MFMA)
- Review and give recommendation on the Submission of Annual Report (MFMA Sec 127)
- Present an oversight report on the Annual Report (Section 129 of MFMA)
- Ensure that issues raised by AG are addressed. (Section 131 of MFMA)
- Ensure the function of the Audit Committee (Section 166 of MFMA)
- Ensure that disciplinary action instituted against Councillors, the Municipal Manager and Senior Management is within the guidelines of the MFMA financial misconduct regulations. Review the IDP (Section 25 of MFMA)
- Annual Review of the IDP (Section 34 of MFMA)
- Review the performance management plan (Section 39 of MFMA)
- Monitor that the Annual Budget is aligned with the IDP (Regulation 6 of the LG: Municipal planning and performance regulations)
- Monitor that all declaration of interests forms are completed by Councillors and relevant municipal staff (Section 54 – read with item 7 of schedule 1)

Name	Position
P Antonie	Chairperson
J Donson	Councillor
J Johnson	Councillor

TABLE 15: MPAC

3.1.7.2 Audit and Performance Committee

The process commenced the appointment in the year under review but were not representatives of the broader community.

Name	Position
Mr Conrad Hoffman	Chairperson of Audit Committee
Mr Johan Johannes	Member
Ms Hilda Duiker	Member
Mr Claude Ipser	Member

TABLE 16: AUDIT AND PERFORMANCE COMMITTEE

3.1.7.3 Administrative Structure

The Administrative structure still needs to be reviewed, job descriptions drafted and evaluated and staff placed in the correct job at the correct level.

MUNICIPAL MANAGER

Acting Municipal Manager – Reynold Stevens

The municipal manager is responsible for the design and execution of all arrangements regarding the compilation and implementation of the IDP. The municipal Manager is, subject to the policy directions of the municipal council, responsible and accountable for-

- the implementation of the IDP and the monitoring of progress with implementation of the plan; and
- the formation and development of an administration equipped to carry out the task of implementing the IDP.

HEADS OF DEPARTMENTS AND OFFICIALS

Their role is to -

- provide relevant technical, sector and financial information for analysis for determining priority issues;
- contribute technical expertise in the consideration and finalisation of strategies and identification of projects; and provide departmental operational and capital budgetary information.

Acting Executive Manager: Financial Services – Vacant

Executive Manager: Corporate Services - Suspended

Senior Management

Office of the Municipal Manager	
Mr R Stevens - Municipal Manager (Acting)	
Office of the Municipal Manager	Mr R Timmie - Town Coordinator - Calitzdorp
ICT	Vacant
Strategic Services	Vacant - Senior Manager: Strategic Services
Corporate Services	Mr H B Barnard - Executive Manager: Corporate Services
Corporate Services	Mr C Hendricks - Manager: Thusong Centre
Corporate Services	Vacant - Manager: Administration
Corporate Services	Vacant - Manager: Housing

Corporate Services	G Breda - Acting Manager: Legal Services
Corporate Services	Vacant
Technical Services	Vacant - Senior Manager: Technical Services
Technical Services	Mr L Blignault - Manager: Acting Manager Technical Services
Technical Services	Mr Thomas van Vuuren
Finance	Vacant
Finance	Vacant - Senior Manager: Budget Office
Finance	Mr M Scaffers - Manager: Assets

TABLE 17: SENIOR MANAGEMENT

3.1.7.4 Committee Services

This section is a support function to Council and all internal committees and is situated in the Department of Corporate Services. The agendas and minutes of all Council meetings are compiled within this section; it is a challenge to fulfil this function to adhere to the Bylaw on Municipal Council's Rules of Order for Internal Arrangements. Training in report writing and taking of minutes is needed for the staff to deliver an excellent service for the Council, Mayco and the Committees.

Chapter 4: Strategic Thrust

4.1 High Level SWOT Analysis

As part of the development of its new 5-Year IDP, the Municipality conducted a very thorough Institutional SWOT Analysis during October-November 2016, of which the results were discussed at subsequent Management Meetings, as well as at IDP Stakeholder Engagements held in April 2017. The following weaknesses were identified as the top problematic areas and deserving of focused and urgent attention or intervention:

- Small revenue base
- Delay in finalizing staff establishment and placement process
- Poor safeguarding of assets and poor fleet management
- Ageing infrastructure and poor maintenance of assets
- Limited revenue collection, poor Credit Control
- Poor law enforcement, application of by-laws
- Lack of capacity in some Departments

	S TRENGTHS	W EAKNESSES
I N T E R N A T I O N A L F A C T O R	<ul style="list-style-type: none"> • Support with shared services through District, Inter-municipal and Provincial Shared Services. • Close cooperation on management level through regular extended management meetings weekly. • Situated in close proximity to major towns within the Eden district and towns in other districts who share the same challenges and opportunities. • Three Game Reserves. • Fertile agriculture soil. 	<ul style="list-style-type: none"> • Weak tax bases and poor payment record amongst rate payers. • Financial constraints caused by historical poor payment record for services and areas such as Zoar which previously suffered from uncertainty about service delivery responsibilities and mandates. • Little or no foreign investment due to weak infrastructure, ineffective marketing strategy. • Poor roads and public infrastructure due to lack of funds for operation and a lack of maintenance plans.

S	<ul style="list-style-type: none"> • Heritage Tourism. • Stable political environment. <p>➤ Flourishing hospitality trade.</p> <p>➤ Good interaction and communication between Council and community.</p> <p>➤ A major arterial road (Route 62 and sub roads) connecting Kannaland to Oudtshoorn, Barrydale, Riversdale and Laingsburg.</p>	<ul style="list-style-type: none"> • High level of illiteracy and a low skills base, lack of qualified tradesmen. • High Dependence on grants.
	O PPORTUNITIES	T HREATS
E X T E R N A L F A C T O R S	<ul style="list-style-type: none"> • To develop into the agriculture hub of the Eden district. • To develop the Tourism trade along Route 62 • Foreign investment in farming • Expanded Public Works Program (EPWP) for job creation 	<ul style="list-style-type: none"> • Dependency of municipality on Government Grants • Water scarcity, especially in rural areas • Global warming and climate change • Increasing prevalence of HIV/Aids and Tuberculosis • High level of unemployment and seasonality of employment • High Poverty index <p>➤ High volume of stale consumer debt</p>

TABLE 18: SWOT ANALYSIS

As an institution Kannaland Municipality realised that to achieve growth and the development it must embrace the principles of sustainable development as adopted in the world forum on sustainable development. The principles focus on the following:

People: Development must be focused on human development. This means that the people must lead a long, healthy life, be equipped with knowledge and skills and earn a decent income to have a decent life.

Economy: Economic growth becomes an important variable in the sustainability equation. Growing the local economy will enable the Municipality to provide services on a sustainable manner especially to the poor.

Environment: the living generation should ensure that they don't deplete natural resources. The living should reserve and conserve resources for future generations and care for biodiversity and the ecosystem.

The purpose of this section is to align the IDP strategies with the IDP priority areas, key performance indicators and strategic interventions. To achieve the Municipal vision following developmental priorities were identified as main drivers of development. The identification of these priorities was informed by the municipal challenges, the District Growth Development strategy and the local government strategic agenda.

It is important for council to plan for the five-year cycle based on its strategic priorities and community needs and to reflect on how these will be addressed.

It should be noted that the following priorities have been clustered and which the main purpose will be to focus on for a sustainable municipality and good basic services for the next five years:

Economic development -	Agriculture, SMME, Art and Culture and Tourism
Human Development -	Education, skills and information support, social development
Sustainable services -	Effective use of resources, infrastructure and community development
Financial Health -	Financial reporting, IDP and PMS

4.2 Strategic Priorities

Kannaland Municipality developed strategic priorities (KPA's), objectives and strategies in order to achieve the outcomes in its mission statement, however, achieving the outcomes remain a challenge. Effective intergovernmental relations will overcome the challenge posed by historical mediocre performance of government departments to achieve outcomes developed on paper. Taking into consideration political, national, and provincial and district policies, Kannaland Municipality adopted the following seven (7) Strategic Priorities (KPA's):

KPA 1: Reliable Infrastructure:

To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens



KPA 2: Service Delivery:

To provide adequate services and improve our public relations



KPA 3: Safe Communities:

To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks



KPA 4: Socio-Economic Development:

To facilitate economic growth and social and community development



KPA 5: Effective and Efficient Governance

To promote efficient and effective governance with high levels of stakeholder participation



KPA 6: Efficient Workforce

To provide an efficient workforce by aligning our institutional arrangements to our overall strategy



KPA 7: Financial Sustainability

To strive towards a financially sustainable municipality

The next step was to determine what must be done (Objective) to address the Priority Issue and how (Strategy) this will be achieved. This process is illustrated below:

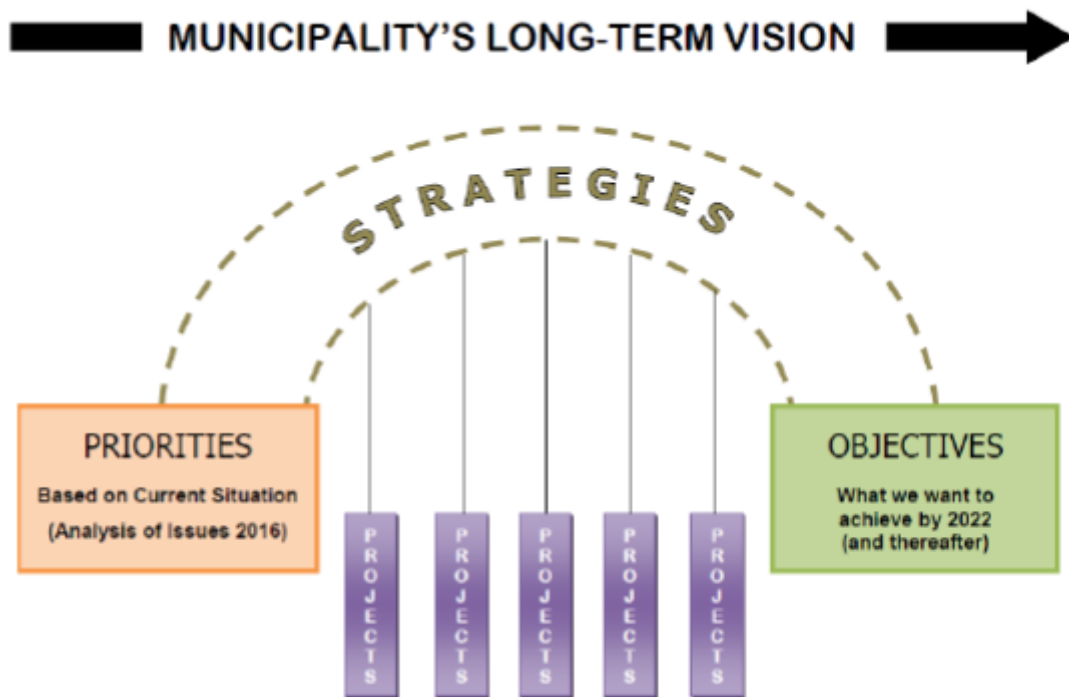


FIGURE 26: MUNICIPAL LONG TERM VISION ILLUSTRATION

The logical flow of Objectives and Strategies from each Development Priority's Problem Statement (Situation) and the resultant unpacking of Projects / programmes are comprehensively discussed below.

4.3 Implementation Strategy

Throughout this chapter each key performance area will be broken down to municipal objectives and to the programmes and projects Council intends to execute within this five year cycle. It should also be noted that most of the needs identified is already summarized in the prioritisation analysis in previous chapters of the IDP.

4.3.1 Key Performance Area 1: Reliable Infrastructure

Objective 1.1 - To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens:

The Municipality realises that the achievement of its strategic objectives relies heavily on the establishment of proper infrastructure for basic service delivery and the maintenance thereof.

The Access to Basic Services has improved the accessibility in all informal and formal settlements although there are room for improvement. The municipality places a high priority on water and sanitation services and to expand, refurbish or upgrade the infrastructure to meet future development requirements.

The municipality has emphasised the improvement for water security and quality and therefore business plans has been submitted to the Department of Water and Sanitation for the building of the New Proposed Swartberg Dam and Waste water treatment works in Ladismith and Zoar. The aim is to unlock business development potential, attract investment to the area and facilitate the implementation of residential development.

O - 1.1.A - Infrastructure Planning programme

Projects Identified by Communities

During the Public Participation Process, the following issues were raised:

Ward	Issue
Ward 1:	<ul style="list-style-type: none"> • Upgrading of storm water pipes. • Play parks for children. • Taxi / bus stop for patients at the community hall (shelter to patients when waiting on ambulances). • Paving of roads – Die Baan and Sakkiesbaai. • High mass lights in Sakkiesbaai, Speed humps – Raubenheimer Street Van Riebeeck Straat, Donson Avenue and Van Erick Avenue. • Lightning on the R62 the entrance of Sakkies Baai. • Construction of a youth centum for Kannaland.
Ward 2:	<ul style="list-style-type: none"> • Upgrading of community and library hall in Bergsig. • Upgrading of a sport field. • Speed humps in Bergsig. • Upgrading and continuous cleansing of storm water pipes. • Speeding strips – “Cement Road” which enters the entrance of Calitzdorp on the R62.
Ward 3:	<ul style="list-style-type: none"> • Water availability, poor water infrastructure and service disruption communication. • Building of houses in Zoar. • Replacing of all asbestos roofs of houses. • Play parks for children in the Zoar area. • Cleansing of storm water pipes. • Taxi / bus stop for patients at the community hall (shelter to patients when waiting on ambulances). • Pedestrian crossing on the R62 for safety.

Ward	Issue
	<ul style="list-style-type: none"> Repairs and maintenance of “lae-waterrug” in the entire Zoar area Cleansing of sewage drains.
Ward 4:	<ul style="list-style-type: none"> Streetlights in Van Wyksdorp. Repair and maintain the storm water pipes. Additional sports field. Upgrading of roads. Recycling of solid waste.

TABLE 19: PROGRAMMES, PROJECTS AND PERFORMANCE MANAGEMENT – PUBLIC PARTICIPATION PROCESS

Below is the MIG, RBIG, and WSIG budget outlined as per the municipality’s prioritization:

PROJECT NAME	AMOUNT	
Ladismith: Rehabilitate and upgrade Water Reticulation	R	4 000 000,00
Zoar: Upgrade Water reticulation	R	1 417 757,00
Calitzdorp: New Sport Field Lighting	R	882 930,00
Van Wyksdorp Greenhills New street Lighting	R	303 240,00
Calitzdorp: Water Availability studies	R	750 789,00
Zoar: Upgrade Sport field Ph.2	R	2 293 484,00
PMU	R	507 800,00
Total	R	10 156 000,00

TABLE 20: MIG BUDGET

REGIONAL BULK INFRASTRUCTURE PROGRAMME

PROJECT NAME	AMOUNT	
Ladismith: New Swartberg Dam	R	15 000 000,00
Ladismith: Upgrade Waste Water Treatment Work	R	10 000 000,00
TOTAL	R	25 000 000,00

TABLE 21: RBIG BUDGET

WSIG

PROJECT NAME	AMOUNT	
Calitzdorp: Bloekomlaan: Upgrade Reservoir	R	10 000 000,00
TOTAL	R	10 000 000,00

TABLE 22: WSIG BUDGET

O - 1.1.A.1 Integrated Municipal Infrastructure Plan Project

The drafting of the Integrated Municipal Infrastructure Plan to eradicate any infrastructural backlogs is in process. MISA (Municipal Infrastructure Support Agent) has been appointed to complete this plan. The economic and financial analysis will be reviewed and adjusted in line with IMIP (Integrated Municipal Infrastructure Planning).

O - 1.1.B - Electricity Infrastructure Programme

Electricity is the main energy source of households within this municipal area. The Kannaland Municipality is responsible for the provision of electricity to Ladismith and Calitzdorp, whilst Zoar and Van Wyksdorp are supplied by ESKOM.

Kannaland infrastructure is out-dated and in need of urgent upgrade. The municipality has over the past four years invested in new infrastructure to ensure secured electricity distribution to businesses and the community and still intend to do so.

The electricity master plan of the municipality identified the need to develop an electricity master plan to evaluate and guide the operating and maintenance processes as well as to reduce losses in income due to aged failing, and the demands of new infrastructure.

Funding has been secured through the Department of Local Government and a service provider has been appointed to develop the electricity master plan and for electricity supply projects.

The municipality has applied for INEP((Integrated National Energy Programme) funding with the Department for electricity infrastructure upgrades.

YEAR 1: 2016/17	R 16 Million
YEAR 2: 2017/18	R13 Million
YEAR 3: 2018/19	R 8.7 Million

TABLE 23: PROPOSED FUNDING FOR ELECTRICITY UPGRADES

The current substation in Calitzdorp has an electricity usage capacity of 1.7 MVA and the availability of electricity is 1.2 MVA. It was identified that the current electricity supply should be upgraded to supply sufficient electricity to industries as well to human settlement developments.

The vision is also to maintain a green and healthy environment, and therefore it is a prime consideration to upgrade the low tension networks by placing the cable networks underground.

The following was identified as needs and will be prioritised for the outer financial years:

- Upgrading of new transformers and refurbishment of old transformers;
- Bulk supply to Ladismith and Calitzdorp – Upgrading of substations;

- Meter replacement of conventional to prepaid meters;
- Replacement of three phased prepaid meters;
- Electrification of informal areas throughout the Municipal area;
- Electricity connections to farm houses and or informal settlements
- Upgrading and refurbishment of infrastructure will result in a secure revenue stream as well as quality services delivered to the residents of Kannaland. The municipality's aim is to budget for the maintenance of all electrical upgrades.
- The municipality prioritized through MIG to fund the Van Wyksdorp Greenhills New street Lighting with an amount of R 303240.00.

And During the IDP Public Participation Process, the following needs were identified and will be prioritised to be addressed.

Ward	Issue
Ward 1:	Street lights in Hoeko needed
	Electrical Services to the residents in Hoeko needed
	Streetlights on the R62, Ladismith needed (entrance from Van Eyck laan to Sakkiesbaai)
	Streetlights on the Baan, Goldinglaan, Martin Gelderblom Street, Dr Hoffman Street, September Street and Ladismith needed
	Lightning in Sakkiesbaai (Pedestrians) needed
	Operation and Maintenance on all electricity infrastructure must be attended to throughout ward one
	Electricity services to informal areas
Ward 2:	Electricity for the entire housing project as well as high mass lights or street lights in Calitzdorp needed.
	High mass lights must be installed to provide light in the dark spots in Bergsig
	Installation of electricity for the new houses in Bergsig
	Street lights must be installed for light in the dark spots in Bergsig
	Electricity services to informal areas
Ward 3:	Lightning on the sports field needed
	Electricity services to informal areas
	Lightning throughout the Zoar resident area
	Lightning at the entrances of Zoar
Ward 4:	Street lights for areas that don't have street lights (Van Wyksdorp)
	Trimming of trees to avoid electricity failures and reduce losses

TABLE 24: ELECTRICITY EFFICIENTLY – PUBLIC PARTICIPATION PROCESS**O - 1.1.B.1 Electricity Demand Side Management Project**

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Electricity Demand Side Management Project	8, 000,000	13,000,000	18,796,000.00	1-4

TABLE 25: ELECTRICITY EFFICIENTLY – PUBLIC PARTICIPATION PROCESS**O - 1.1.C - Road and Stormwater Infrastructure Programme**

During the Public Participation Process, the following issues were raised:

Ward	Issue
Ward 1:	Resurface internal roads All road areas in Nissenville needs to be maintained
Ward 2:	The upgrading of all roads in Bergsig and Bloekomlaan needs to be addressed
Ward 3:	The upgrading of all internal gravel roads need to be addressed. Low water bridges needs to be upgraded in future
Ward 4:	Roads in Ladismith Town need to be maintained Pedestrian paths needs to be upgraded and maintained: Towersig street and entire town needs to be re-looked where to be maintained Upgrading the road leading to waterkloof and the road to the traffic station in Ladismith

TABLE 26: ROADS AND STROM WATER INFRASTRUCTURE – PUBLIC PARTICIPATION PROCESS

The main road system in Kannaland Municipality consists of National and Provincial roads. The R62 national road passes through Calitzdorp, Zoar and Ladismith and Van Wyksdorp on the corridor linking the Breede Valley with Oudtshoorn and beyond and is maintained by the Provincial Government.

Divisional and Sub Divisional Roads: The divisional roads such as the R327, and R323, are maintained by the Eden District Municipality which has offices in Ladismith and working camps in Calitzdorp and Van Wyksdorp. Roads are critical to the economy of the region because residents, farmers and entrepreneurs are reliant on accessible roads for their livelihood. Van Wyksdorp, which is a small town, remains a very isolated area and is linked to the R62 by the R365 which is a gravel road and also maintained by the Eden District Municipality.

Municipal Roads and Storm water: The Municipality is responsible for the maintenance of roads within the four (4) towns (Ladismith, Calitzdorp, Zoar and Van Wyksdorp).

O - 1.1.C.1 Taxi Route Upgrade Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Ladismith: Queen Street Upgrade Taxi Route			3,000,00 3.00	4

TABLE 27: TAXI ROUTE UPGRADE PROJECT

Queen Street requires to be upgraded, the tar must be removed and replaced with paving bricks to accommodate traffic needs, safety and the upgrade of the street infrastructure.

O - 1.1.C.2 Roads Stormwater Master plan Project

The Kannaland Council made the decision that all gravel roads be paved. Paving projects is more labour intensive, create jobs, cost effective and less maintenance is required and has a longer life span. A detailed roads storm water master plan was finalised during the 2017/18 financial year where all non-functional and functional issues of the roads will be addressed. It is evident that the majority of the paved roads in the four towns are falling into the category of poor to very poor. The overwhelming majority of unpaved roads in the four towns require blading (not necessarily re-gravelling) mainly due to poor drainage as well as poor maintenance over the years. Investment is therefore required to ensure that identified and prioritised projects could be implemented.

O - 1.1.C.3 Ladismith Roads Project

A plan for the extensive upgrade and maintenance of the North-western side of Ladismith's roads will be developed during the 2018/19 – 2019/20 financial years. The municipality will engage with Department of Public Works and Transport to assist as the MIG funding only aims to eradicate municipal infrastructure backlogs in poor communities to ensure the provision of quality basic services.

The road network in Ladismith comprises of 22.07 km of paved roads (93%) and only 1.61 km of unpaved roads (7%). The paved and unpaved road network is illustrated in Figure 2 below.



O - 1.1.C.4 Zoar Roads Project

Through the IDP public participation it was identified that there is a need to the internal roads of Zoar and is registered with MIG. Council resolved that all gravel internal roads in Zoar be upgraded with paving. The project will be registered through MIG for funding in 2017/18 – 2027/28. All gravel roads of approximately 20 kilometres will be paved over a ten year period as per the project registration.

- Konstabel Drive;
- Ruiters Drive;
- Pietersen Crescent;
- Van Ster Avenue;
- Alwyn Avenue;
- Barry Drive (Partially);
- Bruintjies hoogte



FIGURE 27: ZOAR INTERNAL ROAD UPGRADE

O - 1.1.C.5 Calitzdorp Roads Project

The municipality is planning to upgrade all roads and pavements in Calitzdorp and will be of applying for grant funding to address identified upgrades during the 2018/19 – 2019/20 financial year.

O - 1.1.C.6 Calitzdorp Road Maintenance Project

General road maintenance will be undertaken on an on-going basis. Operational maintenance will be continued and potholes will be filled.

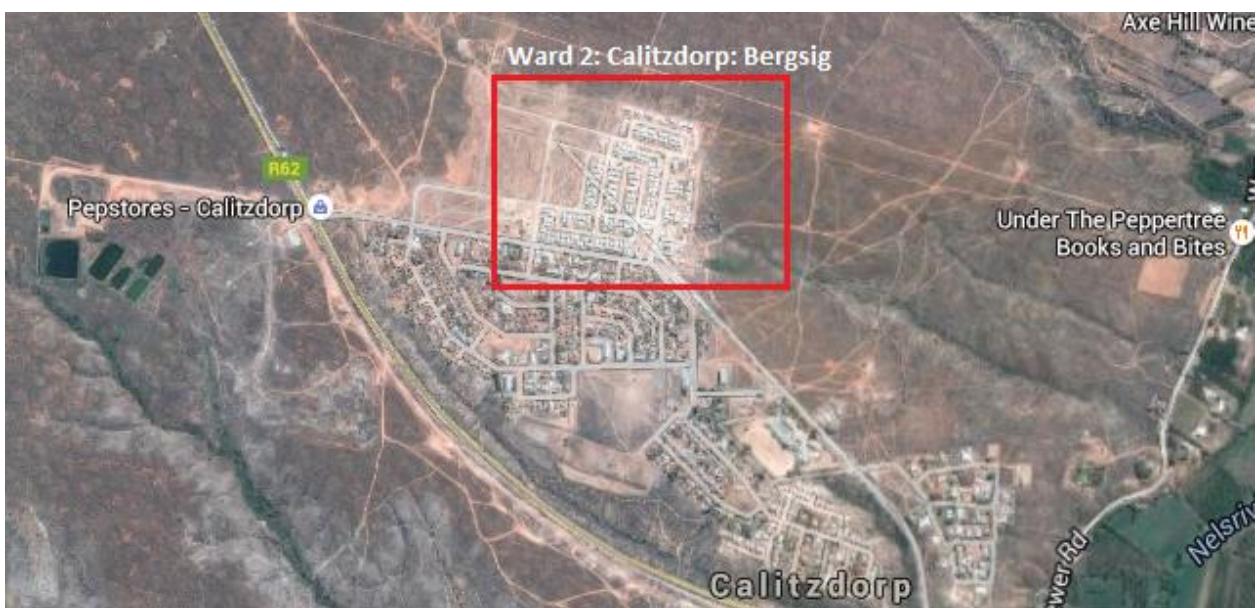


FIGURE 28: CALITZDORP BERGSIG INTERNAL ROADS

O - 1.1.C.7 Calitzdorp Disaster Roads Paving Project

The following disaster areas have been identified to be paved -:

- Malan Street
- First and Eight Avenue
- Miller Street

An implementation and funding plan will be developed during the 2018/19 -2019/20 financial years. It should be noted that the priority on water security needs to be addressed. However submissions for funding will be submitted to external parties.

O - 1.1.C.8 Calitzdorp 3 way stop Project

During the public participation sessions and at the IDP Indaba it was raised that a three way stop is highly needed at the entrance of Calitzdorp (on the Route 62 way). It will minimise road accidents and promote road safety to all motorists and residents. The municipality will ensure that the correct processes are followed to be assisted.

O - 1.1.C.9 Van Wyksdorp Roads Project

General road maintenance will be undertaken on an on-going basis. The municipality aims to upgrade all gravel roads and business plan will be submitted to sector departments during 2018/19 2019/20 in order to source funding. The road network in Zoar comprises of 0.58 km of paved roads (10%) and only 5.50 km of unpaved roads (90%).



The municipality has developed an integrated transport plan with the assistance of the District Municipality and Provincial Government however support will be required to fulfill those identified projects.

Projects identified in the strategy are as follows:

No	Project	Ward (to be completed still)						Funding source	PSO 3 Program					PSO 3 Outcomes				
			2017/18	2018/19	2019/20	2020/21	2021/22		WCG: Western Cape Government, K: Kannaland Local Municipality Public transport program	NMT and Sustainable Transport Program	Transport Infrastructure Program	Safety Home Program	Tourism Program	Transport Management Program	Outcome 1: 13% modal shift, private to public transport by 2022, leading to 60:40 private : public	Outcome 2: Shift in freight haulage from road to rail increasing by 10% by 2022	Outcome 3: Reducing road fatalities by 50% in 2022	Outcome 4: Reduce the transport infrastructure backlog by 2022
1	NMT facilities along main route to Nissenville	1 & 4				X		K/ MIG		X							X	
2	NMT link between Bergsig and R62 towards Calitzdorp	2 & 4				X		WC G/ MIG		X							X	
3	NMT facilities along key business routes in Ladismith	4			X			K		X							X	
4	NMT facilities along key pedestrian routes in Zoar and Amalienstein	3			X			K		X							X	
5	New walkways in Bergsig	2		X				K		X							X	
6	Development of a local area NMT Plan for Kannaland				X			K		X							X	
7	Walkways along Pretorius and Queens Street in Calitzdorp	2		X				K		X							X	
8	Repair of existing	1 & 4		X				K		X							X	

No	Project	Ward (to be completed still)	2017/18	2018/19	2019/20	2020/21	2021/22	Funding source	PSO 3 Program	PSO 3 Outcomes
								WCG: Western Cape Government, K: Kannaland Local Municipality	Public transport program	NMT and Sustainable Transport Program
									Transport Infrastructure Program	Safety Home Program
									Tourism Program	Transport Management Program
									Outcome 1: 13% modal shift, private to public transport by 2022, leading to 60:40 private : public	Outcome 2: Shift in freight haulage from road to rail increasing by 10% by 2022
									Outcome 3: Reducing road fatalities by 50% in 2022	Outcome 4: Reduce the transport infrastructure backlog by 2022
	sidewalks in Ladismith									
9	Investigation into an Integrated Public Transport Network for Kannaland LM	All		X				WC G	X	X
10	Shelters and bays in Zoar	3		X				K	X	X
11	Shelters and bays in Nissenville and town	1 & 4		X				K	X	X
12	Shelters needed on DR1661 in Calitzdorp	2		X				WC G	X	X
13	Demarcation and shelter at Ladismith Informal Rank	4		X				K	X	X
14	Demarcation of bays in Calitzdorp for minibus-taxis	2		X				K	X	X
15	Regular maintenance at Ladismith Main Rank	4	X					K	X	X

No	Project	Ward (to be completed still)						Funding source	PSO 3 Program				PSO 3 Outcomes					
			2017/18	2018/19	2019/20	2020/21	2021/22	WCG: Western Cape Government, K: Kannaland Local Municipality	Public transport program	NMT and Sustainable Transport Program	Transport Infrastructure Program	Safety Home Program	Tourism Program	Transport Management Program	Outcome 1: 13% modal shift, private to public transport by 2022, leading to 60:40 private : public	Outcome 2: Shift in freight haulage from road to rail increasing by 10% by 2022	Outcome 3: Reducing road fatalities by 50% in 2022	Outcome 4: Reduce the transport infrastructure backlog by 2022
16	Upgrading of roads in residential areas	ALL	X	X	X	X		MIG			X							X
17	Sight distance to be improved at intersections in Van Riebeeck Street in Ladismith	1 & 4			X			K			X							X
18	Street lighting various streets	ALL			X			K			X							X
19	Paving of entrance in VWD	4			X			WC G			X							X
20	Maintenance of existing tarred / paved streets	ALL	X	X	X	X		K			X							X
21	Tar road to caravan park					X		K			X							X
22	Storm water Masterplan for All Towns	ALL	X	X	X	X		K										
23	R327 Van Wyksdorp to Ladismith, 33kms			X				WC G										

TABLE 28: INTEGRATED TRANSPORT PLAN

The following prioritized actions are required for implementation of the proposed public transport strategies:

- Assistance to the local authorities in managing operating license applications. The EDM should provide assistance in improving communication between taxi operators and the PRE. This could include regular meetings, travel and secretariat functions;
- Identification of routes with significantly high numbers of illegal operators in order to utilise law enforcement services effectively;
- Update of the PRE EDM public transport registration database to ensure that dormant licenses are not considered and those pending applications (not approved yet) are also included;
- The implementation of an IPTN for the EDM.
- Maintain close relations with the PGWC to ensure intimate knowledge of NLTA-related processes and impact on public transport operations.

As previously mentioned that the tree planting be linked to paving and or upgrading of roads and pathways will be prioritized thus support from sectors or donation from the Department of Agriculture, Forestry and Fishery (DAFF) will be needed to execute this initiative. The implementation of the integrated transport plan will also ensure economic growth for the Kannaland area.

O - 1.1.C.10 Storm Water Project

The municipality is committed to maintain and clean the existent storm water drainage systems in the Kannaland area. It should be noted that with all road upgrades and repairs, storm water drainage systems will also be upgraded and maintained on a regular basis. Many of the storm water structures are functionally poor and require urgent attention.

O - 1.1.D - Water and Sanitation Infrastructure

During the Public Participation Process, the following issues were raised:

Ward	Issue
Ward 1:	Water shortage in summer months needs to be addressed
Ward 2:	Complaints of water leakages must be attended to
	Stronger underground water pipes must be used
Ward 3:	Toilets must be built to address backlog in Berg Street
	Needs clean and sufficient water supply

TABLE 29: WATER AND SANITATION INFRASTRUCTURE – PUBLIC PARTICIPATION PROCESS

Sanitation

The majority of households are connected to waterborne sanitation systems in the Kannaland area. A few households throughout the municipal area are connected to septic or conservancy tanks and approximately ten households in Zoar still use the bucket system.

O - 1.1.D.1 Zoar WWTW Project

Over a three year financial period, the municipality plans to upgrade the WWTW in Zoar. The following measures were identified to be implemented. Business plans has been submitted to DWS for financial support.

- Security and office space at plants
- Fencing repairs
- Cleansing of oxidation ponds
- Refurbishments of pumps
- Relocating of pump stations

O - 1.1.D.2 Ladismith and Calitzdorp Waste Water Treatment Works Project

For the Waste water treatment works in Ladismith and Calitzdorp, the following reports has been completed and submitted to Department of Water and Sanitation for funding:

- Ladismith: Upgrade and extend Waste Water Treatment Works
- Calitzdorp: Upgrade and extend Waste Water Treatment Works

Below is a map of the Ladismith waste water treatment works is currently situated:



FIGURE 29: LADISMITH WWTW



FIGURE 30: CALITZDORP WWTW

The figure below indicates the Waste water treatment plants in Kannaland area.

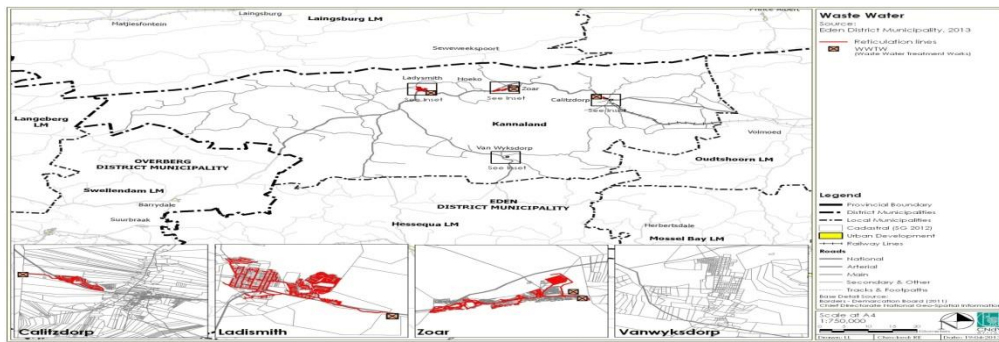


FIGURE 31: WASTE WATER TREATMENT PLANT – AS INDICATED IN SDF FIGURE 3.4.9.1

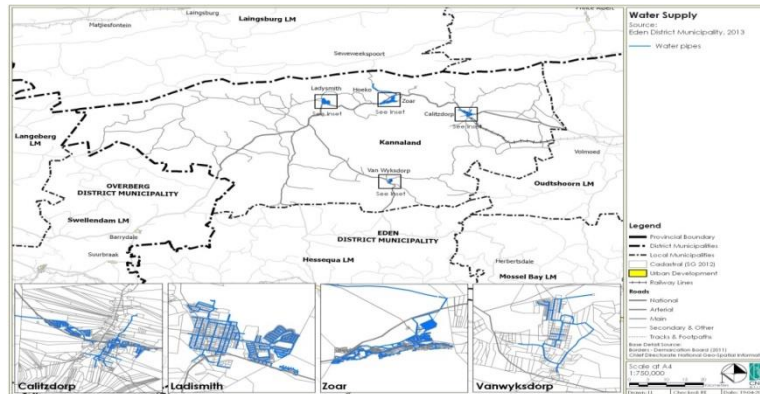
Water

All households have access to basic water services which means that water is available within 200 meters from their dwellings/houses. All the houses in the urban areas of Kannaland Municipality are provided with individual water connections. Stand pipes are provided in the informal areas as a temporary emergency service. Tanker water services are provided for rural schools and rural communities on request. Water is the sustaining source of life and hence access to safe and potable water is a priority service delivery.

Ladismith water infrastructure: In Ladismith, 12 boreholes are currently operational that were drilled as part of the Ladismith Water Feasibility Study and drought relieve intervention. The 12 boreholes are capable of delivering approximately 43l/s to Ladismith. This equals to a yield of approximately 1.3mm² per annum. The borehole yields are sufficient to enable the municipality to supply water to the town during dry periods. For future planning the drilling of boreholes will continue as it is a main source of water security.

In order to achieve economic growth the Municipality needs to ensure availability of sufficient water infrastructure capacity to meet the existing and future needs of Ladismith. The Municipality must provide sufficient infrastructure (raw water storage capacity) that is sustainable and reliable meeting existing and future social economic growth for Ladismith.

The figure below indicates the water infrastructure in Kannaland.



O - 1.1.D.3 Zoar: Upgrade Water Reticulation Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework				Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20		Ward Location
Zoar: Upgrade Water reticulation	2,500,000.00	1417757			3

TABLE 30: ZOAR RETICULATION PROJECT

This project is aimed at upgrading water infrastructure which is cost effective and sustainable to the Zoar community with potable water. It aims to supply pipelines that are accessible for maintenance and repairs.

O - 1.1.D.4 Van Wyksdorp Water Reticulation Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework				Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20		Ward Location
Van Wyksdorp Rehabilitate and upgrade Water Reticulation		-	-		4

TABLE 31: VAN WYKSDORP RETICULATION PROJECT

This project is aimed at upgrading water infrastructure which is cost effective and sustainable to the Vanwyksdorp community with potable water. It aims to supply pipelines that are accessible for maintenance and repairs.

O - 1.1.D.5 Calitzdorp: Water Availability study Project

Program/Project Description	2016-2017 Expenditure Framework	Medium Term Revenue & Expenditure Framework	Project Information
Calitzdorp: Water Availability studies	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20
		750,789.00	2

TABLE 32: WATER AVAILABILITY PROJECT

The project is aimed at the identification of water and to make proposals for providing water security in the Municipality.

O - 1.1.D.6 Ladismith Reticulation Project

Program/Project Description	2016-2017 Expenditure Framework	Medium Term Revenue & Expenditure Framework	Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20
Ladismith: Rehabilitate and upgrade Water Reticulation	2,500,000.00	4000000	-
			4

TABLE 33: LADISMITH RETICULATION PROJECT

This project is aimed at upgrading water infrastructure which is cost effective and sustainable to the Ladismith community with potable water. It aims to supply pipelines that are accessible for maintenance and repairs.

O - 1.1.D.7 Swartberg Water Storage Dam Project

Economic Development in the Ladismith area (which is the biggest economic node in the Kannaland Municipal area) has been hampered by the lack of water storage capacity and bulk waste treatment

capacity. The municipality will initiate the process for the establishment of a bulk water storage facility (dam) for the municipal area in partnership with the other two spheres of government.

The availability of raw water storage can unlock current and future housing developments and will ensure the availability of housing to medium to low income groups. Kannaland Municipality has drafted a Human Settlement Plan, which will manage the overall housing projects in the municipal areas. The provision of human settlements is a high priority for the municipality. Engagements with the relevant sector departments will be conducted, as this is an urgent matter for Kannaland.

The construction of a new raw water storage dam for the town of Ladismith will be a major catalyst for



future sustainable economic growth. As stated previously the dam will unlock various economical projects. This project has been prioritized and has submitted various business plans to be pursued during the 2018/19 -2020/21 financial

years in order to identify and Source the resources required to build the dam in partnership with the Eden District, Provincial and National Government.

O - 1.1.D.8 Water leakage project

Water leakage is the main challenge in terms of water storage capacity therefore projects have been registered and funded. The project design and implementation will be initiated during 2018/19 – 2019/20 financial year.

O - 1.1.D.9 Water security Project

New proposed developments to make Ladismith water-secure for the next ten years without the proposed Swartberg Dam:

- a) A new 3 mega-litre reservoir;

Additional boreholes drilling and equipping. It must be noted that operating boreholes is expensive because of the associated electricity cost;

- b) Refurbishment of old piped networks.

Van Wyksdorp: Potable water is extracted for Van Wyksdorp from three (3) boreholes and a fountain (Die Oog), stored in a reservoir and distributed to three (3) reservoirs. All water enters the network system via the reservoirs and is distributed to consumers.

Future developments planned for Van Wyksdorp with regards to water is the following:

- Van Wyksdorp Upgrading Of Raw Water Reservoir Project;
- Van Wyksdorp Upgrading of water reticulation networks;
- Van Wyksdorp Additional boreholes drilling and equipping;
- Van Wyksdorp Upgrading of the new WTW.

Calitzdorp

Bulk raw water to Calitzdorp is supplied via the Calitzdorp Nels Dam and gravity bulk pipeline to the water purification plant and reservoirs. All water is entered into the network system via the reservoirs and is distributed to consumers. Currently the Nels Dam is owned and managed by the Calitzdorp Irrigation Water Board.

O - 1.1.D.10 Calitzdorp Water Project

Business plans was submitted to DWS for funding for the following projects:

- Replace raw water supply pipeline from the Nelsdam to the WTW;
- Construct a new reservoir at Bloekomlaan;
- Construct a new direct pipeline to Bloekomlaan;
- Construct a high pressure pump station and reservoir in Bergsig.

Funding for the abovementioned business plans was not approved by the department but will be re-submitted during 2018/19 – 2019/20 for funding in the outer financial years.

Zoar

Zoar receives its water directly from the Tierkloof dam which is located in the Seweweeks Poort. The dam is used for domestic supply to the Zoar community. The Tierkloof Dam belongs to the Department of Water and Sanitation, but the water supply is managed by the municipality. A bulk raw water pipeline takes the water to the Zoar Water Treatment Works which is situated opposite the township of Zoar, next to the R62 district road.

O - 1.1.D.11 Zoar Water Project

Business plans has been re-submitted during the 2017/18 financial year to DWS and MIG for funding for the following projects to ensure water security for future demand:

- Construct a new 1 ML reservoir at the WTW at Karooland;
- 1.5 ML reservoir in Droevlei;
- Upgrade & Expansion of WTW;
- Upgrade & Expansion of the WTW;
- New Dam to supply future expansion of town and or refurbishment of old and vandalised boreholes.

O - 1.1.D.12 Water Meters Replacement Project:

Water is a precious commodity in this semi-arid region of the country, rainfall in the region is only approximately 270mm per year. The management and control of water is of vital importance to the municipality. The existing water meters in the Kannaland area (Ladismith, Zoar, Van Wyksdorp and Calitzdorp) are old and dysfunctional due to age and normal wear and tear. Meter management is only a portion of the much greater revenue management strategy to address the current financial administrative and technical shortcoming within the municipality.

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework						Project Information
	Budget	Year	Budget	Year	Budget	Year	
	2017/18		2018/19		2019/20		Ward Location
Kannaland Installation of Water Meters							1,2,3,4

TABLE 34: WATER METERS REPLACEMENT PROJECT:

O - 1.1.E Solid Waste Infrastructure Programme

Currently the municipality operates two licensed landfill sites in Ladismith and Zoar. The waste from Van Wyksdorp and Calitzdorp is transported to Ladismith and Zoar respectively.

O - 1.1.F.1 Integrated Waste Management Plan Project

The Municipality will identify and source budget resources for the development and implementation of their 3rd Generation Integrated Waste Management Plan. In accordance with the National Environmental Management: Waste Act (59/2008): National Waste Information Regulations all

municipalities will be required to submit actual quantities of waste for the different activities they are registered for on IPWIS from 2018. It is therefore imperative that municipalities are therefore required to allocate funding and make provision for the acquiring of such equipment in their municipal budgets. Training is essential and will be clearly identified in the budget application.

O - 1.1.E.2 Waste Management Project

Below is what the municipality will do or plan in terms of waste management during the next 5 years:

- Erection of signage for the three landfill sites;
- Addressing the issue of storm water diversion, as indicated in the permits, at the landfill sites;
- Looking into the possibilities of recycling/waste diversion;
- Recycling projects/opportunities
- Further cleaning of illegal dumping sites in Kannaland Municipal Area;
- Environmental awareness and clean-up campaigns;
- Awareness campaigns on illegal dumping and waste minimisation;
- Purchasing of new collection equipment and proper maintenance on vehicles;
- Waste removal services to informal settlements as well as farm areas.
- Calitzdorp: Solid Waste Transfer Station Project

O - 1.1.E.3 Solid waste infrastructure project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework						Project Information
	Budget	Year	Budget	Year	Budget	Year	
	2017/18		2018/19		2019/20		Ward Location
Calitzdorp: Solid Waste Transfer Station					2,000,000.00		2

TABLE 35: TRANSFER STATION PROJECT:

In order for the Municipality to obtain a license for the transfer station, it has to be upgraded to the required standards.

O - 1.1.E.4 Van Wyksdorp: Solid Waste Transfer Station Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework					Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location		
Van Wyksdorp: Solid Waste Transfer Station			1,319,188.00	4		

TABLE 36: VAN WYKSDORP TRANSFER STATION PROJECT:

Below is where the current landfill site is located:

**FIGURE 32: LANDFILL SITES MAP**

Pipeline Projects

Projects that have been identified and funding applications being prepared or in the process of application (Attached see also summaries of the Zoar Integrated Forum and Agricultural organisation).

PROJECT
Zoar – Establishment of pedestrian walk ways
Zoar – Upgrade of main road
Zoar – Paving of identified streets
Zoar – Solid Waste site transfer station
Zoar – Upgrade of Identified Internal Roads
Zoar – Construction of a new dam – irrigation water
Calitzdorp – Solid Waste site transfer station
Calitzdorp – Upgrade of Main Water Pipeline
Calitzdorp – Refurbish Sewer Pump Stations and Waste Water Treatment Works
Calitzdorp – Bloekomlaan: Upgrade Road
Calitzdorp – Establish Pedestrian Walk Ways
Ladismith – Upgrade of Van Riebeeck Street
Ladismith – Solid Waste regional landfill site
Ladismith – Refurbishment of Old Infrastructure: Pipelines

PROJECT
Ladismith – New Reservoir
Van Wyksdorp – Installation of Street lights
Van Wyksdorp – Solid Waste Site transfer station

TABLE 37: PLANNED MIG PROJECTS NOT YET REGISTERED**O - 1.1.E.5 Regional Bulk Infrastructure Grant (RBIG) pipeline projects**

For the 2017-2022 financial years business plans for the following projects will be submitted for funding approval:

- New Reservoir Zoar: Droevlei;
- Calitzdorp Raw Water Supply: Replacement of pipeline from Nels dam to Water Treatment works;
- Calitzdorp: Bergsig: High-level reservoir, pump station and inter-connecting pipelines;
- Calitzdorp: Water Reticulation Network: Upgrade various sections;
- Calitzdorp: Bloekomlaan Reservoir Repairs;
- Ladismith: Upgrade Water Treatment Works systems;
- Kannaland: refurbishment of all sewer pump stations;
- Upgrading and refurbishment of the Klein Karoo Rural Water Supply Scheme.
- Ladismith: Upgrade Water Treatment Works systems – R4 650 000.

Registered approved MIG projects that has not been prioritised as yet.

Project
Zoar – Installation of new Sports Field Lighting
Zoar – Rehabilitation of sports field
Zoar – Upgrade sports field phase 2
Calitzdorp – Bergsig Rehabilitation of Sports field
Calitzdorp – New sports field lighting
Ladismith – Queen Street upgrading of taxi route
Van Wyksdorp – Greenhills new streetlights

TABLE 38: MIG PROJECTS NOT YET REGISTERED**4.3.2 Key Performance Area 2: Service Delivery****(National KPA – 1: Basic Service Delivery and Infrastructure Development)**

Objective 2.1 - Provide basic services and improve public relations

The delivery of municipal services in electricity, water, sanitation, refuse, roads and storm water is a key function of the Kannaland Municipality. Kannaland Municipality faces significant service delivery challenges, including the roll out of services to rural areas and under serviced households, ensuring adequate maintenance of assets occur, controlling the rising unit costs of service delivery, addressing future bulk supply shortages and ensuring adequate investment in economic infrastructure. These challenges are made more difficult by high expectations from communities, decaying infrastructure, limited organisational capacity and resources.

Water Services

Kannaland Municipality is the designated Water Services Authority in its demarcated municipal area. There are four water treatment works (plants) located at Ladismith, Zoar, Calitzdorp and Van Wyksdorp.

The municipality in the process to take ownership of the Calitzdorp spa and the Klein Karoo Water Scheme, which currently resides under the Eden District Municipality services.

Van Wyksdorp Water Treatment Works is supplied from Buffelsfontein River and three boreholes as well as irrigation water supply from Buffelsfontein River every second week for seven hours.

Zoar Water Treatment Works is supplied from the Tierkloof Dam belonging to the Department of Water and Sanitation. Calitzdorp Water Treatment Works is supplied from Nels Dam belonging to the Irrigation Board.

Water sources are limited in the Kannaland area. It is imperative that proper planning and management of water resources is ensured at all times. We strive to comply with the water services Act 108 of 1997.

Greendrop and Bluedrop Status

Kannaland Municipality essentially retained the approximate 50% Green Drop score for their 3 wastewater systems during the 2013 audit (municipal score of 50.27%) compared to the results achieved in 2011 (municipal score of 49.10%). The score benefited from a significant improvement in the management of the Calitzdorp system (an improvement from 20.90% to 65.83%).

During the 2013-2014 Green Drop PAT Report, the situation in two of the systems however deteriorated, mainly due to the lack of wastewater quality data available to the Department during the assessment. Other concerns of the DWS are the apparent overload of the wastewater works as indicated in the high operational capacity percentages. This progress reporting decision is made due to either lack of flow measuring or in the case of Ladismith, the actual overloading of the works as

evident in the high flows to the works. Other information received indicated that the works is being upgraded, and this is applauded. The Municipality also has no supervisory and process controller competencies available at any of their systems.

This is also appreciated although it would be important for staff to get the necessary accredited training to improve their qualification. Maintenance staff is available at all systems, and the Municipality should retain these competencies. The Municipality is encouraged not to allow the situation at their wastewater works to deteriorate.

The DWS provided the W2RAP and GDIP tools to assist the municipalities to progressively improve their wastewater systems in a planned, consistent and organised manner.

Risk Trend Analysis 2008 – 2014

Progress Indicator

Performance trend 2013-2014 (as CRR/CRR _{max} %)	Systems
Improve	1
No change	0
Digress	2

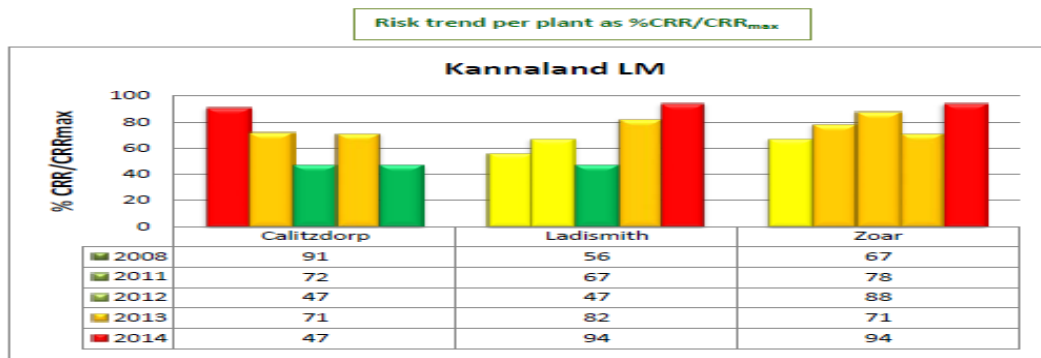


FIGURE 33: GREEN DROP PERFORMANCE – SOURCE: GREEN DROP STATISTICS

Blue Drop Performance of the municipality for 2011/2012 for the Kannaland Municipal Area:

Performance Area	Calitzdorp	Ladismith	Van Wyksdorp	Zoar
Water Safety Planning (35%)	17.50	16.80	11.20	15.75
Treatment Process Management (8%)	3.16	3.16	1.20	1.20
DWQ Compliance (30%)	11.25	3.75	0.00	0.00
Management, Accountability (10%)	1.20	1.20	1.20	1.20
Asset Management (14%)	5.81	5.39	4.34	5.39
Use efficiency loss management (3%)	0.00	0.00	0.00	0.00

Performance Area	Calitzdorp	Ladismith	Van Wyksdorp	Zoar
Bonus score	3.83	3.00	2.63	2.63
Penalties	1.17	0.91	0.00	0.71
Blue Drop Score (2014)	41.58	32.39	20.57	25.46
2012 Blue Drop Score	29.9%	29.5%	25.4%	21.2%
2011 Blue Drop score	60.3%	70.3%	31.5%	35.8%
System Design Capacity (MI/d)	2.2	3.6	0.5	1.4
Operational Capacity (% i.t.o Design)	56%	89%	100%	100%
Average daily consumption(l/p/d)	280.1	449.4	600.2	300.5%
Microbiological Compliance (%)	99.9%	99.9%	0.0%	66.7%
Chemical Compliance (%)	99.9%	99.9%	0.0%	0.0%
Blue drop risk rating 2012	86%	80.5%	94.3%	86.1%
Blue drop risk rating 2013	83%	80.6%	91.2%	90.7%
Blue drop risk rating 2014	64%	64.2%	80.5%	79.0%

TABLE 39: BLUE DROP STATUS – SOURCE: 2014 BLUE DROP REPORT

The municipality requested that the department provides the municipality in future with detailed and more updated reports.

Public Participation

During the Public Participation Process, the following Service Infrastructure issues were raised:

Ward	Issue
Ward 1:	A dam for Ladismith to adhere to water demand of the community
Ward 2:	Water tanks must be supplied as a risk prevention method in case of fire, when fire fighting services are not available
Ward 3:	Water during summer months must be available
	Sewerage drain in Berg Street and Brintjies hoogte must be drained regularly
	Water provision for agriculture (farmers)
Ward 4:	A dam for Ladismith to adhere to water demand of the community

TABLE 40: WATER AND SANITATION – PUBLIC PARTICIPATION PROCESS

2.1. A - Municipal Services Programme**O - 2.1.A.1 Service Delivery Partnerships Project**

During 2017/8 the Municipality will review the service delivery strategies and service levels and will seek opportunities to service delivery partnerships and the development of a delivery plan and charter for implementation.

O - 2.1.A.2 Master Plan Review Project

Draft master plans in respect of all infrastructure related activities and update where current plans are found to be out-dated. Funding to review these plans will be sought and an implementation plan structured during the 2018/19 financial year.

O - 2.1.A.3 Maintenance Plan Project

During the 2017/18 financial year the Municipality will seek funding to appoint a service provider to review existing maintenance and replacement practices aimed at reducing unit costs and to ensure longer term returns on existing infrastructure.

O - 2.1.A.4 Human Settlements Plan Project.

The Municipality has initiated the process with the Department Human Settlements where the development of a HSP was completed. The plan should be reviewed annually as data tend to change. The Municipality undertakes to conduct the planning for the following housing projects which have been developed as part of a ten year plan for housing for the Kannaland municipal area:

LOCATION	HOUSING UNITS	FUNDING SOURCE
Calitzdorp: Bergsig	692	DoHS
		MIG
Ladismith: Parmalat	422	DoHS
		MIG
Van Wyksdorp	TBD	DoHS
		MIG

TABLE 41: PROPOSED HOUSING PROJECTS - SOURCE: ASLA

O - 2.1.A.5 Proposed Calitzdorp Bergsig Housing Project



FIGURE 34: CALITZDORP BERGSIG HOUSING PROJECT

The first phase of 250 houses has been completed. The second phase will result in a final 692 (inclusive of the 250) houses being completed. A planning and implementation plan will be developed as part of the Integrated Human Settlements Plan.

O - 2.1.A.6 Proposed Ladismith Housing Project: Parmalat

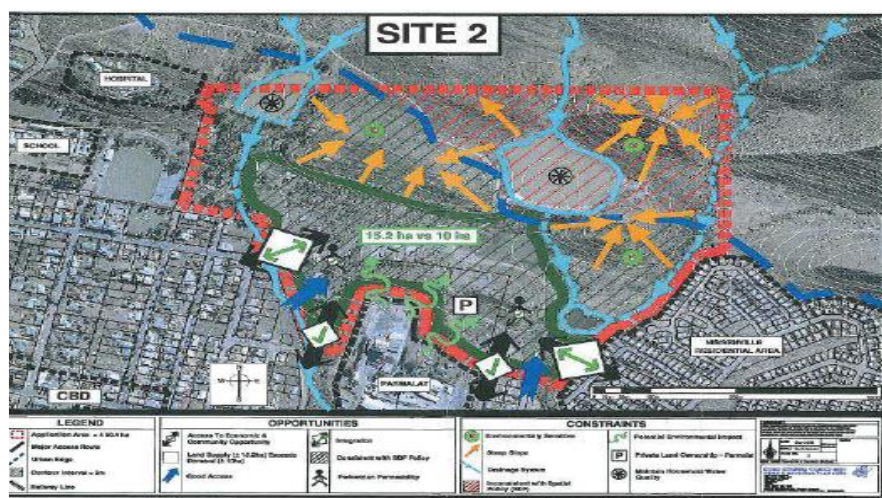


FIGURE 35: LADISMITH HOUSING PROJECT: PARMALAT

The Ladismith, Parmalat project is currently in the planning phase and entails 530 housing opportunities. The bulk services need to be upgraded before implementation of the project can commence.

O - 2.1.A.7 Proposed Ladismith Housing Project: Schoongezicht Project

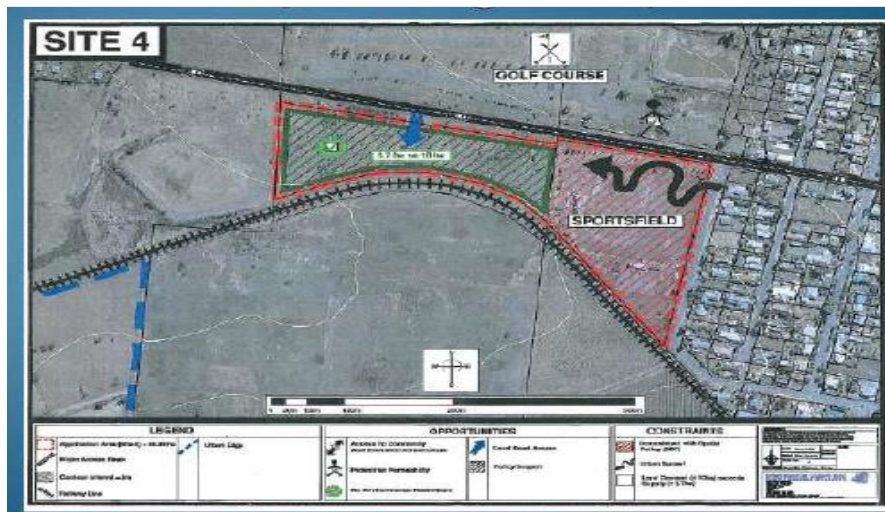


FIGURE 36: LADISMITH HOUSING PROJECT: SCHOONGEZICHT PROJECT

The Schoongezicht project is currently in the planning phase (2018-19) and entails 195 housing opportunities. The bulk services need to be upgraded before the project can commence. Given the creative management application in devising and launching the Nissenville GAP Project (supra – p.146) the successful reification of this Schoongezicht vision is a realistic prospect.

O - 2.1.A.8 Proposed housing Project: Van Wyksdorp



FIGURE 37: HOUSING PROJECT: VAN WYKSDORP

The Van Wyksdorp project is currently in the planning phase. The housing plan provides for 200 houses for the Van Wyksdorp area. The bulk services for the project stills need to be upgraded and the preferred site acquired from the Provincial Government. A sewage processing plant has been established in Van Wyksdorp.

Objective 2.2 - Provide for the needs of indigent households through improved services.

2.2. A - Underserviced Areas Programme

O - 2.2.A.1 Service delivery strategy project

During the 2017/18 financial year the Municipality will seek funding to appoint a service provider to develop a service delivery strategy for rural areas and for decaying or underserviced urban areas and to ensure that sufficient infrastructure and bulk services capacity is available to create an environment conducive for development and economic growth.

O - 2.2.A.2 Reduction of backlogs assessment project

The Municipality will review the data on the access to services by households in the municipality in order to determine the impact of reduction of backlogs. This will be initiated in the 2018/19 financial year in partnership with the Provincial Government.

O - 2.2.A.3 Ladismith: Informal Settlements Services Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	
Ladismith: Municipal Services: Informal Settlements	446,040.00	799,302.00		1

TABLE 42: LADISMITH INFORMAL SETTLEMENTS PROJECT

This project will provide basic services in accordance with the Municipality's Constitutional Mandate and to reduce the backlogs in the provision of basic services to informal settlements.

4.3.3 Key Performance Area 3: Safe Communities:

Objective 3.1: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks.

3.1. A – Safety Programme

O - 3.1.A.1 Traffic Services Project

The function of the traffic service is critical to ensure overall law enforcement and road safety within the Kannaland municipal area. The function is also critical for revenue enhancement of the municipality given the various income streams it secures. The following key functions are being managed by the traffic section:

- motor vehicle registration services;
- learners licensing;
- renewals of drivers licence;
- vehicle testing services;
- issuing of traffic fines;
- visible law enforcement (road-blocks); and
- visible law enforcement (illegal water use, illegal dumping, control of hawkers etc.)
- Road markings/signs
- Managing E-natis system

The Traffic Section is manned by permanent traffic enforcement officers who also provide motor vehicle registration services, learners licencing, renewals of drivers licence and vehicle testing services. The officials are based in Ladismith. One of the permanent staff provides a learner licencing and drivers licence renewal function once weekly in Calitzdorp. A vehicle testing management representative has been appointment which will ensure that the municipality is compliant with the SABS 0216 industry standard.

The municipality has prioritized and made budget available for the building of a K53 centre in Ladismith.

Internal funding as well business plans for securing the projects below will be submitted to Provincial sector departments in the 2018/19 financial year for the projects that have not been funded as yet.

- Procurement of extra cameras;
- Assistance to develop a traffic by law – IGRS
- Speed hump for identified areas throughout Kannaland
- Traffic / Road signs
- Speeding Strips

O - 3.1.A.2 Disaster Management Strategy/Plan Project

The Municipality will review the status of preparedness and contingency plans associated with the prevailing risks identified in the area and to also reflect possible risk reduction projects during the first three years of the 2017-2022 Financial Years.

The Kannaland Disaster plan has been developed in terms of the Disaster Management Act (Act 7 of 2002) that requires Local Authorities (B Municipalities) to develop and maintain a Disaster Management Plan for their area of control/jurisdiction.

Department of Local Government is in partnership with municipalities will annually review the disaster plan. Public participation workshops have been held to gain input from relevant stakeholders and hazard experts.

The primary goal is to ensure developmental risk reduction, by having planned development linked with risk reduction initiatives and risk information, i.e. taking into account the prevailing risks (risk assessment) for sustainable development (resilient municipal assets and communities).

It is also to ensure that operational risk reduction objectives are developed and/or updated. Project plans and contingency plans for identified risks should be in the Disaster Management Plan.

Objective 3.2 – Sustainability of the environment

3.2. A - Environmental Programme

O - 3.2.A.1 Alien Invasive Control Management Plan Project

Alien invasive species remain a challenge in terms of the water at the Swartberg River. The department of Environmental affairs and the Municipality will identify possible programs and projects to eradicate those challenges. It is also imperative that the municipality develop the Alien Invasive Control Management Plan during the 2018/19 financial year. This will be done in compliance with the provision in NEMA.

4.3.4 Key Performance Area 4: Socio-Economic Development

(National KPA -2 Economic Development)

Objective 4.1: To facilitate economic growth and social and community development

4.1. A - Community Facilities Programme

O - 4.1.A.1 Calitzdorp: Sport Field Project

Program/Project Description	2016-2017 Expenditure Framework	Medium Term Revenue & Expenditure Framework	Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20 Ward Location
Calitzdorp: New Sport Field Lighting	-	882930	- 2

TABLE 43: CALITZDORP SPORTS FIELD PROJECT**O - 4.1.A.2 Ladismith Cemetery Project**

Program/Project Description	2016-2017 Expenditure Framework	Medium Term Revenue & Expenditure Framework	Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20 Ward Location
Ladismith: New Cemetery	1,000,000.00	1,000,000.00	- 4

TABLE 44: LADISMITH CEMETERY PROJECT

The current cemetery is running out of capacity and a new facility needs to be identified, procured, rezoned and made available for burials.

O - 4.1.A.3 Zoar: Sport field Upgrade Project

Program/Project Description	2016-2017 Expenditure Framework	Medium Term Revenue & Expenditure Framework	Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20 Ward Location
Zoar: Upgrade Sport field Ph.2	-	2293484	- 3

TABLE 45: ZOAR SPORT FIELD PROJECT

O - 4.1.A.4 Pollution control strategy project

In order to protect buyers from purchasing land that may be contaminated, the Municipality should keep a database of contaminated land sites to prevent the transfer of contaminated land to unsuspecting parties (Contaminated Land: Part 8 of the National Environmental Management: Waste Act). Funds for cost of travel and accommodation to enable identified officials to attend training for both of these functions will be identified and earmarked in the budget. Budget resources will also be identified for travel by the identified official to potential section 30 incident sites within the Municipality.

O - 4.1.A.5 Human Settlements Development Project

The Municipality has a housing waiting list with over 3, 000 individuals and this need to be dealt with in the medium to long term. The Human Settlement Plan has been approved in May 2016 and needs to be implemented accordingly.

4.1. B - Tourism Programme

O - 4.1.B.1 Tourism Development Strategy Project:

Kannaland's local economy is built on the opportunities created by tourists visiting the area. It is essential that the tourism industry be further developed and investment into this industry be promoted to ensure continuous growth. The Municipality should consider making allocations for tourism development, Art and Culture promotion and SMME development as stated in the IDP. The funding to appoint a service provider to develop an LED (Local Economic Development) strategy which will include the tourism strategy during the 2018/19 financial year.

4.1. C - Health Programme

O - 4.1.C.1 Quality of health strategy project:

The Municipality will identify plans aimed at enhancing the quality of health for the Kannaland communities.

O - 4.1.C.2 Air quality management project:

The budget requirement for the development of an Air Quality Management will be identified and sourced. Funds will cover air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies. Further, where AQMPs or Air Quality Management By-laws are not developed, funds must be secured for such development and adoption

by the Council. Monitoring of ambient air quality and point, non-point and mobile source emissions will enable the municipalities to report on its compliance with ambient air quality standards.

Awareness raising promotes community well-being and empowerment, and emphasises the adverse impacts of air pollution, climate change and ozone layer protection, human health and the environment; and the benefits of clean air. The Municipality will identify the cost of securing a service provider during 2018/19 to develop the Air Quality Management Plan.

A budget allocation for Air Quality Management needs to be secured. Budget should ideally cover the following: air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies.

4.1. D - Joint planning Programme

The Joint Planning Initiative is based on mega or long-term projects and initiatives whilst IDP the Indaba focuses on immediate or short term projects which require integrated planning and support from other lead departments in provincial and national government. The Joint Planning Initiatives (JPI's) are more of a longer term nature.

These JPI's consist of catalytic projects commonly referred to as game changers which would require collaborative planning and pooling of resources between the relevant government departments and municipalities in order to maximise the impact on the socio-economic and infrastructure challenges faced by local communities.

The municipality has identified a number of catalytic projects/programmes namely under the following categories:

- Housing;
- Social services and Youth activities and development;
- Infrastructure: water, drainage and sanitation;
- Infrastructure: roads and transport
- Safety and security;
- Economic development and local business development;
- Agriculture.

These projects/programmes would have a significant impact in the municipality, region and even the province and it is therefore crucial that strategic partnerships be formed to facilitate joint planning for the successful implementation of these projects/programmes. The current status of previous commitments will not be included in this document as mentioned at the IGR platforms, Council is in

process to review the long term projects to be tabled at the next JPI. However, the Departments which played a significant role in assisting the municipality are commended for their continuous commitment.

4.1. D.1 Joint planning initiatives project: initiatives:

The Municipality will actively engage with the lead departments at Provincial Government in terms of projects as agreed within a particular JPI, and reflect such engagements within the 2018-2019 IDP Review. The Municipality will indicate some of the key partnering arrangements in place to support service delivery initiatives in creating public value.

4.1. D.2 Agri Processing Project:

The Klein-Karoo has vast developmental potential, especially in terms of agriculture and agro-processing. The dairy, fruit and livestock economic sectors need to be analysed in order to determine the output and benefit that can be gained from these sectors. Value-adding processing of these sectors should be analysed in terms of developing these sectors from the base of Kannaland. The appointment of a service provider to do this analysis and to development of an Agro-Processing implementation plan is an important mechanism to prepare strategies to optimise the regions development potential.

4.1. D.3 SDF Review Project:

Municipality will identify the cost and source the funding for the review of the SDF during the 2017/18 financial year in order to include the provision for this expenditure in the 2018/19 financial year. The Municipality will include the SDF as a core component of the 2018/19 IDP review.

The SDF will be reviewed and its associated implementation plan aligned with the SPLUMA 2013 principles and incorporate the SDF as a core component of the IDP. The DP Review will include references to and link the IDP and SDF national and provincial sector plans, strategies and investments to enable integrated service delivery and spatial alignment through the use of the IDP as principal strategy.

4.3.5 Key Performance Area 5: Effective and Efficient Governance

(National KPA 3 Institutional Development and Municipal Transformation)

(National KPA 5 Good Governance and community participation)

Objective 5.1: To promote efficient and effective governance with high levels of stakeholder participation

5.1. A - Institutional Stabilisation Programme

The political and administrative leadership of Kannaland Municipality need to be positioned to manage competing demands for limited resources in a fair equitable and efficient manner.

O - 5.1.A.1 Policy Review Project:

The Municipality is in process of updating all municipal policies, strategies and operational plans over the next three years. This will be done to ensure that municipal activities, rules and procedures are consistent with all relevant policies, legislations and by-laws.

Objective 5.2 Transparency and Participation

5.2. A - Participation Programme

5.2. A.1 Communication Project:

Improve communication of the vision, strategy and plans both internally and externally, to keep staff informed, capacitated and to manage the expectations of the community.

5.2. A.1 Community participation in Agriculture Project

In the Agricultural sector, improved processes will be introduced to support inclusive participation in agricultural value-chains and fostering an environment conducive to local and regional private sector investment. Community participation in the structures of local government will be strengthened in all the areas in the Municipality. Kannaland Municipality will work towards ward committees that are better resourced, more powerful and taken seriously. The Municipality will actively promote the participation of the community in the working of the municipality.

4.3.6 Key Performance Area 6: Efficient Workforce

Objective 6.1: To provide an efficient workforce by aligning our institutional arrangements to our overall strategy

Human Resources

The municipality consists of 151 employees. The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority.

6.1. A - Institutional Transformation Programme

The key deliverable of this programme is to bring stability in the council administration, to fill management vacancies, conduct organizational redesign and to compile all job descriptions and job evaluations for all posts.

O - 6.1. A.1 Organisational Structure Project

Funding will be sourced in order to appoint a service provider to conduct an organisational review over the first two financial years in order to ensure that the organogram is aligned to the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) which is efficient, affordable and sustainable. The first step will be to source financial resources to be able to appoint a service provider to conduct this process.

O - 6.1. A.2 Staffing Project

The municipality approved an organisational structure July 2017 and is in process of implementing the organogram.

The staffing of the structure will be done in order to ensure that suitably qualified and experienced staff will be appointed. This is to ensure that the right person with the right skills is placed in the right position.

O - 6.1. A.3 Policies and Procedures Project

It is paramount that all organizational policies, processes and procedures are reviewed in order to ensure that it is valid, relevant, legally compliant and viable. The Municipality will source funding in the 2017/18 financial year to enable it to conduct and deliver on the deliverables of this project.

Objective 6.2 - To enable education and skills development to equip people with economic skills

6.2. A - Employee Improvement Programme:

The municipality received funding from the Department of Local Government to develop a Human Resource Strategy that will influence the operations of current policies and possibly the compilation of new policies. The new strategy will also assist the municipality amongst other with the most effective placement of employees.

O - 6.2.A.1 Staff Development Project

The following interventions have been identified to maximize employee development:

- Create development opportunities for the municipality's employees and maximizing existing developmental opportunities;
- Implementation of the Individual Performance Management programme for all managers/supervisors up to the third level of reporting;
- Implementation of the employment equity plan;
- Maximising the SAMRAS leave module, in particular employee self-service that related to leave entitlements and leave requests.
- Development of supervisors to improve the skills needed to supervise and lead employees; A number of critical areas that management needs to address to ensure optimal service delivery have been identified and these areas must be strongly attend to in future:
 - Low staff morale
 - Inadequate skills levels
 - Inadequate qualifications
 - Lack of clarity regarding roles and responsibilities (middle management and supervisors)
 - Lack of discipline

O - 6.2.A.2 Workplace Skills Development Project (WSP)

The municipality has developed a Work Place Skills Plan (WSP) of which the main objective is to ensure that there is staff development through training interventions for all levels of staff. The municipality is committed to ensure that all staff is skilled and trained in their respective fields, even though there are financial constraints. The municipality will continue to source funding and form cooperative partnerships where the opportunity presents itself to ensure a well-qualified workforce. As part of the workplace skills development project, the skills requirements of staff will be identified, personal development plans developed and training programmes developed in order to ensure that staff is appropriately skilled and equipped to conduct their duties with excellence. This process will be rolled out over the first three years of the next term of office.

4.3.7 Key Performance Area 7: Financial Sustainability

(National KPA 4 Financial viability and management)

Objective 7.1: To strive towards a financially sustainable municipality

O - 7.1. A - Financial Recovery Programme

Kannaland Municipality has a duty to improve financial management across expenditure, revenue, assets, supply chain, debt and financial reporting streams. Council of Kannaland Municipality has adopted and approved a financial recovery plan during the 2017/18 financial year, which entails the review of the current budgeting strategies and processes as well as revenue and expenditure systems to ensure effective and efficient service delivery in line with priorities identified.

The challenges need to be taken into account, that many of the projects identified in the IDP during consultation, are not financially supported with adequate revenue provisions. Hence, external funding sources will be identified and consulted to fund most of the critical projects.

O - 7.1. A.1 Budgeting and Expenditure Management Project

The Municipality will review the budget and expenditure management systems to ensure that efficient and effective service delivery is in line with Municipal priorities. This will require the development of a Long Term Financial Plan (10 - 15 years) split into three phases being 1 – 5 years, 6 – 10 years and 11 – 15 years. The plan will include the following:

- Predicting future municipal revenue;
- Estimating future operational expenditure;
- Determining future capital demand:
- Asset replacement expenditure;
- New capital investment;
- Determining a funding model for future capital investment;
- Perform financial modelling inclusive of:
- Liquidity and ratio management;
- Recommendations to attain financial results;

The municipality will implement the creditors' payment policy and perform creditor classification and institutionalize pre-determined creditors payment dates and implement expenditure and creditors management.

O - 7.1. A.1 Revenue Management Project

The revenue management systems will be reviewed in order to maximise revenue generation possibilities and improve revenue performance. The Municipality will source funding for the appointment of a service provider to draft a revenue enhancement strategy and plan to improve revenue value chain by:

- Performing a complete meter audit of metered services;
- Performing a physical verification of all services and service connection points.
- Performing debtor data analysis and cleansing.
- Performing a complete indigent verification process.
- Conducting on-site water demand management and loss control.
- Analysing electricity losses and draft a loss control program.
- Engage in meter replacement program.
- Apply cost-reflective tariff modelling.
- Reviewing, analysing and performing benchmarking of user tariffs to the industry norm.

O - 7.1. A.3 Customer Care Project:

The Municipality will introduce measures to enhance levels of customer care, increase responsiveness to consumer billing and other queries. Over the next three financial years the Municipality will improve community access points, source funding to conduct a customer satisfaction survey, implement a customer service call centre, set benchmarks for activities relating to complaints and set service level standards for customer responses.

O - 7.1.A.4 Cash and Liability Management Project

The Municipality will review cash and debt management strategies and practices. All liabilities (current and non-current) will be reviewed and a strategy developed in order to meet obligations in a timely manner in accordance with legislative requirements. In order to achieve the deliverables of this project, the Chief Financial Officer will implement cash flow monitoring, design and implement an effective grant management and monitoring system to ensure that conditional grants are only used for their intended purposes and introduce the daily management of cash-flow with weekly reporting. Monthly bank reconciliations will be performed and long-term debt reviewed and restructured where economic benefits can be attained.

Cash flow targets will be set as part of the MTREF and short term liabilities reviewed and calculated. Long term liabilities will be reviewed and calculated and all contingent liabilities disclosed. Creditors

will be engaged to discuss/agree repayment plans/arrangements for liabilities in order to enter into arrangements with creditors and to monitor that the payments are made according to the agreed repayment plans.

O - 7.1.A.5 Financial Controls Project

The Municipality will review internal controls and delegations regarding financial management. Some of the initiatives that will be conducted include the following:

- Draft an Audit action plan to address audit findings.
- Correct prior year errors and compile audit evidence file.
- Review monthly progress on corrected errors.
- Implement safeguards to mitigate errors going forward.
- Perform Risk analysis of municipality and implement risk management system.
- Revise and implement internal systems of control to mitigate financial risks identified.
- Review all policies, budget and non-budget related, and amend where necessary.
- Workshop all policies with related staff.
- Review and amend all job descriptions.
- Review archiving and record keeping.
- Staffing of Budget and Treasury Office organogram with suitably qualified and experienced staff.
- Capacitating and skills development of finance department staff.
- Implement internal controls to mitigate financial risks

O - 7.1. A.6 Asset Management Project:

The Municipality will source funding during the 2018/19 financial year in order to develop and integrated infrastructure and asset management plan. This will entail the review and updating of the Asset Register. This plan should include the assessment of the useful lives of all infrastructure assets by performing a conditional assessment and ensure that a GIS reference exists for all infrastructure assets.

An Asset Procedure Manual will be drafted and asset maintenance plans will be included for all major asset categories. The Municipality will perform a municipal strategic asset assessment and master plans review for all Infrastructure assets will be updated and funds sourced in order to perform a land audit to identify all municipal assets and to determine a performance assessment of all municipal properties. This will be followed by the drafting of a municipal asset management strategy which also includes a performance and disposal framework.

O - 7.1.A.7 Supply Chain Management Project

The Municipality will review governance practices in the Supply Chain practices and implement proper controls and risk management practices. In this process SCM Delegations will be reviewed and electronic Contract Management system implemented. The Supply Chain Management Policy and Supply Management Chain Structure will be reviewed and work-shopped with all staff. The Municipality will develop and centralise an online Procurement and Record Management System with a document checklist for each bid and will organise training for all Bid Committees.

O - 7.1. A.8 Capital Budget Implementation Project:

The Municipality needs to be pro-active with regards to planning and implementation of the capital budget. Potential risks need to be addressed as soon as they are identified. This will require the improvement of planning processes in order to institute the monitoring of action plans to ensure that capital budget is implemented effectively to avoid under spending as experienced in the previous years and the current financial year. Attention will be given to projects business plans, risk identification and turnaround times on supply chain management processes to ensure the full implementation of the capital budget for a financial year.

O - 7.1.A.9 ICT Project:

The Municipality will initiate a process towards the review of IT infrastructure and implement accounting in order to ensure that financial systems are in line with the Municipal Budget and Reporting Reforms (mSCOA etc.).

O - 7.1.A.10 Liability Management Project

All liabilities current and non-current will be reviewed and a strategy developed to meet obligations in a timely manner in accordance with legislative requirements.

- Review and calculate short term liabilities
- Review and calculate long term liabilities
- Review and disclose all contingent liabilities
- Engage with creditors to discuss/agree repayment plans/arrangements
- Draft repayment plans for liabilities and enter into arrangements with creditors



Part D: In-Year Municipal Performance Scorecard

5.4 Proposed Organisational Performance

5.4.1 5 Year Performance Scorecard

Please note that this scorecard is subject to change as per the key performance indicators and targets once final Service delivery budget implementation plan has been approved.

This is part of a draft scorecard, the final sdbip. After the approval of the budget the final scorecard will be developed which will be aligned directly with the IDP and budget

KPA	Strategic Objective	Performance Indicator	Performance Measure	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22
KPA1: Reliable Infrastructure	Objective 1.1 – <i>To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens</i>	1A. <i>Capital budget spent</i>	1A. <i>% of capital budget spent</i>	85%	90%	90%	92%
		1B <i>Spend on repairs and maintenance</i>	1B <i>Percentage of repairs and maintenance spend</i>	85%	88%	90%	92%
KPA 2: Service Delivery:	Objective 2.1 <i>To provide basic services and improve our public relations)</i>	2A (a) <i>Households with access to basic level of water (NKPI – 10a)</i>	2A (a) <i>Number of residential properties which are billed for water or have pre-paid meters</i>	4880	5016	5159	5162
		2A (b) <i>Households with access to basic level of electricity (NKPI – 10a)</i>	2A (b) <i>Number of residential properties which are billed for</i>	5,571	5,600	5,650	5,700

KPA	Strategic Objective	Performance Indicator	Performance Measure	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22
			electricity or have pre-paid meters				
		2A (c) <i>Households with access to basic level of sanitation (NKPI – 10a)</i>	2A (c) Number of residential properties which are billed for sewerage	4430	4566	4709	4715
		2A (d) <i>Households with access to basic level of refuse removal (NKPI – 10a)</i>	2A (d) Number of residential properties which are billed for refuse removal	4770	4906	5049	5051
	Objective 2.2 - Provide for the needs of indigent households through improved services.	2B (a) <i>Indigent households receiving free basic water</i>	2B (a) Number of indigent households receiving free basic water	2342	2478	2485	2490
		2B (b) <i>Indigent households receiving free basic electricity</i>	2B (b) Number of indigent households receiving free basic electricity	1822	1822	1822	1830
		2B (c) <i>Indigent households receiving free basic sanitation</i>	2B (c)	2342	2458	2465	2470

KPA	Strategic Objective	Performance Indicator	Performance Measure	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22
			Number of indigent households receiving free basic sanitation				
		2B (d) Indigent households receiving free basic refuse removal	2B (d) Number of indigent households receiving free basic refuse removal	2342	2478	2485	2490
KPA 3: Safe Communities:	Objective 3.1 To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks)	3A Compliance with drinking water quality standards	3A Percentage compliance with drinking water quality standards	90%	90%	90%	92%
KPA 4: Socio-Economic Development:	Objective 4.1 To facilitate economic growth and social and community development	4A Gravel road converted to paved/tar road	4A Metres of gravel road converted to paved/tar road	2,000	1,500	2,200	2,300
		4B EPWP jobs created (NKPI – 10d)	4B Number of EPWP jobs created	70	80	90	100
KPA 5: Effective and Efficient Governance	Objective 5.1 To promote efficient and effective governance with	5A Unqualified audits by the Auditor General	5A Auditor General opinion	Unqualified Audit	Unqualified Audit	Unqualified Audit	Clean Audit

KPA	Strategic Objective	Performance Indicator	Performance Measure	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22
	high levels of stakeholder participation						
	Objective 5.2 Transparency and participation	5B Council meetings open to the public	5B Number of Council meetings open to the public	4	4	4	4
KPA 6: Efficient Workforce	Objective 6.1 To provide an efficient workforce by aligning our institutional arrangements to our overall strategy	6A People from employment equity target groups employed in the three highest levels of management	6A Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the approved employment equity plan	60%	65%	70%	75%
	Objective 6.2 - To enable education and skills development to equip people with economic skills	6B Budget spend on implementation of WSP	6B Percentage budget spent on implementation of WSP	80%	85%	90%	92%
KPA 7: Financial Sustainability	Objective 7.1 To strive towards a financially sustainable municipality)	7A Cost coverage	7A Ratio of cost coverage maintained	1.2:1	1.5:1	1.8:1	2:1
		7B Debtors to Annual Income	7B				

KPA	Strategic Objective	Performance Indicator	Performance Measure	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22
			Performance Indicator: Net Debtors to Annual Income Revenue expressed as a percentage	35%	35%	30%	25%
		7C Debt coverage by own billed revenue	7C Ratio of debt coverage by own billed revenue	1.5:1	2:1	2.2:1	2.3:1
		7D Bank Account Reconciliation	7d Reconciliation of bank account within 30 days after month end	12	12	12	12

TABLE 46: PERFORMANCE SCORECARD

5.4.2 Performance Scorecard Definitions

Priority	Strategic Objective	Performance Indicator	Performance Measure	Definition
KPA 1: Reliable Infrastructure	Objective 1.1 –To provide access to reliable infrastructure	1A. Capital budget spent (NKPI – 10c)	1A. % of capital budget spent	Percentage reflecting year-to-date spend of the municipal capital budget Formula: Actual capital budget spend/capital budget x 100/1
		1B Spend on repairs and maintenance	1B	Definition = Percentage reflecting year-to-date spend (including secondary cost)/total repairs and maintenance budget.

Priority	Strategic Objective	Performance Indicator	Performance Measure	Definition
	<i>that will contribute to a higher quality of life for Kannaland citizens</i>		Percentage of operating budget spent on repairs and maintenance	<p>Note that the in-year reporting during the financial year will be indicated as a trend (year-to-date spend).</p> <p>Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned maintenance includes asset inspection and measures to prevent known failure modes, and can be time - or condition-based.</p> <p>Repairs are actions undertaken to restore an asset to its previous condition after failure or damage. Expenses on maintenance and repairs are considered operational expenditure.</p> <p>Primary repairs and maintenance costs refer to repairs and maintenance expenditure incurred for labour and materials paid to outside suppliers.</p> <p>Secondary repairs and maintenance costs refer to repairs and maintenance expenditure incurred for labour provided in-house/internally.</p>
KPA 2: Service Delivery:	Objective 2.2 - Provide for the needs of indigent households	2B (a) <i>Indigent households receiving free basic water (NKPI – 10a)</i>	2B (a) <i>Number of indigent households receiving free basic water</i>	Number of residential properties which are billed for water or have pre-paid meters as at 30 June of each financial year. Calculated as the actual number of monthly bills that have been issued
		2B (b) <i>Indigent households receiving free basic electricity (NKPI – 10a)</i>	2B (b) <i>Number of indigent households receiving free basic electricity</i>	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June of each financial year. Calculated as the actual number of monthly bills that have been issued

Priority	Strategic Objective	Performance Indicator	Performance Measure	Definition
	through improved services.	2B (c) <i>Indigent households receiving free basic sanitation (NKPI – 10a)</i>	2B (c) <i>Number of indigent households receiving free basic sanitation</i>	Number of residential properties which are billed for sewerage as at 30 June of each financial year. Calculated as the actual number of monthly bills that have been issued
		2B (d) <i>Indigent households receiving free basic refuse removal (NKPI – 10a)</i>	2B (d) <i>Number of indigent households receiving free basic refuse removal</i>	Number of residential properties which are billed for refuse removal as 30 June of each financial year. Calculated as the actual number of monthly bills that have been issued
	Objective 2.2 - Provide for the needs of indigent households through improved services.	1D (a) <i>Indigent households receiving free basic water (NKPI – 10b)</i>	1D (a) <i>Number of indigent households receiving free basic water</i>	Provide free basic water to indigent households as defined in paragraph 9(1) of the Municipality's Credit Control and Debt Collection Policy as at 30 June
		1D (b) <i>Indigent households receiving free basic electricity (NKPI – 10b)</i>	1D (b) <i>Number of indigent households receiving free basic electricity</i>	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June of the financial year
		1D (c) <i>Indigent households receiving free basic sanitation (NKPI – 10b)</i>	1D (c) <i>Number of indigent households receiving free basic sanitation</i>	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) which are billed for sewerage as at 30 June of the financial year

Priority	Strategic Objective	Performance Indicator	Performance Measure	Definition
		1D (d) <i>Indigent households receiving free basic refuse removal (NKPI – 10b)</i>	1D (d) <i>Number of indigent households receiving free basic refuse removal</i>	Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at 30 June of the financial year
KPA 3: Safe Communities:	<i>Objective 3.1 To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks</i>	4D Compliance with drinking water quality standards	4D Percentage compliance with drinking water quality standards	% of water samples in the Kannaland jurisdiction area to comply with SANS241 micro biological indicators. Calculated by calculating: Number of water samples in compliance with SANS241 micro biological indicators/Number of water samples x 100/1
KPA 4: Socio-Economic Development:	<i>Objective 4.1 To facilitate economic growth and social and community development</i>	4A Gravel road converted to paved/tar road	4A Metres of gravel road converted to paved/tar road	This indicator will be measured by calculating the number of metres of gravel road that was paved (with paving bricks or concrete) or tarred (bitumen) during the period in question. Information will be drawn from the project sheets as signed off by the relevant official of the Municipality.
		4B EPWP jobs created (NKPI – 10d)	4B Number of EPWP jobs created	This indicator measures the number of work opportunities created through the Expanded Public Works Programme (EPWP). An EPWP work opportunity is defined as paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the Code of Good Practice for Special Public Works Programmes.

Priority	Strategic Objective	Performance Indicator	Performance Measure	Definition
Key Performance Area 5: Effective and Efficient Governance	(Objective 5.1 To promote efficient and effective governance with high levels of stakeholder participation)	5A <i>Unqualified audits by the Auditor General</i>	5A <i>Auditor General opinion</i>	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor-General in determining his opinion. An unqualified audit opinion refers to the position where the auditor, having completed his audit, has no reservation as to the fairness of presentation of financial statements and their conformity with Generally Recognised Accounting Practice. This is referred to as 'clean opinion'. Alternatively, in relation to a qualified audit opinion, the auditor would issue this opinion in whole, or in part, over the financial statements if these are not prepared in accordance with Generally Recognised Accounting Practice, or could not audit one or more areas of the financial statements. The audit opinion covers the audit of predetermined objectives.
		5B <i>Council meetings open to the public</i>	5B <i>Number of Council meetings open to the public</i>	The indicator measures the number of municipal council meetings open to the public to maintain transparency in the day-to-day governance of the Municipality.
Key Performance Area 6: Efficient Workforce	Objective 6.1 To provide an efficient workforce by aligning our institutional arrangements to our overall strategy	6A <i>People from employment equity target groups employed in the three highest levels of management</i>	6A <i>Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the</i>	The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the approved employment equity plan. Each department contributes to the corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal setting. Calculated as follows: Number of EE targeted employees (top3 levels)/Number of positions (Minus vacant positions) x (100/1)

Priority	Strategic Objective	Performance Indicator	Performance Measure	Definition
			<i>approved employment equity plan</i>	
		6C <i>Limit vacancy rate to 30% of budgeted post</i>	6C <i>% vacancy rate</i>	Calculated as follows: Number of funded posts vacant divided by number of budgeted funded posts expressed as percentage
	Objective 6.2 - To enable education and skills development to equip people with economic skills	6B Budget spend on implementation of WSP	6B Percentage budget spent on implementation of WSP	A workplace skills plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate budget for appropriate training interventions, which will address the needs arising out of local government's skills sector plan, the Municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDPs. The WSP will also take into account the employment equity plan, ensuring incorporation of relevant developmental equity interventions into the plan. Formula: Actual training budget spend/Training budget x 100/1
KPA 7: Financial Sustainability		7A <i>Cost coverage (NKPI – 10g(i))</i>	7A <i>Ratio of cost coverage maintained</i>	Total cash and investments (short-term), less restricted cash for monthly operating expenditure. Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2017 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))
		7B	7B	This is a calculation where we take the net current debtors divided by the total operating revenue. Financial viability measured in terms of the

Priority	Strategic Objective	Performance Indicator	Performance Measure	Definition
	Objective 7.1 To strive towards a financially sustainable municipality)	Debtors to Annual Income (NKPI – 10g(ii))	Performance Indicator: Net Debtors to Annual Income Revenue expressed as a percentage	outstanding service debtors as at 30 June (Total outstanding service debtors/ revenue received for services)
		7C Debt coverage by own billed revenue (NKPI – 10g(iii))	7C Ratio of debt coverage by own billed revenue	This is a calculation where we take the total own billed revenue divided by the total debt. Financial viability measured in terms of the Municipality's ability to meet its service debt obligations as at 30 June (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)
		7D Bank Account Reconciliation	7d Reconciliation of bank account within 30 days after month end	Reconciliation of bank account within 30 days after month end is the norm. This must be achieved 12 times per annum (each month) To be calculated as the number of months per annum that the Municipality has reconciled the bank account within 30 days of month end and submitted to Council.



Part E: Financial planning

CHAPTER 6: FINANCIAL PLAN

Section 26 of chapter 5 of the Local Government Municipal Systems Act, No 32 of 2000 prescribes the core components of the Integrated Development Plan (IDP). Section 26(h) requires the inclusion of a financial plan, which should include a budget projection for at least the next three years. This financial plan aims to determine the financial affordability and sustainability levels of the Municipality over the medium term.

A Municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

The Municipality has to do long term financial planning in order to determine the appropriate mix of financial parameters and assumptions within which the Municipality should operate to facilitate budgets that are affordable and sustainable at least ten years into the future. This helps to identify the consequential financial impact of planned capital projects on the Municipality's operating budget.

The planning is reviewed annually to determine the most affordable level at which the Municipality can operate optimally, taking into account the fiscal overview, economic climate, national and provincial influences, IDP and other legislative imperatives, internal governance and community consultation.

6.1 Financial strategy

This section provides an overview of the Kannaland Municipality's 2018/19 to 2020/21 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of the municipality.

The municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and local governments. In essence, the spheres of government are partners in meeting the service delivery challenges faced in Kannaland. Kannaland alone cannot meet these challenges. It requires support from the other spheres of government through the direct allocation of resources, as well as the achievement of their own policies.

The process encompassed the following:

- Framework for and strategic direction of the budget;
- Forecast taking above direction into account.

- Departmental budget presentations to execute the Municipality's strategies, business improvement measures and implementation readiness of capital programmes.
- Utility Services presentations on their proposed budgets and tariff increases.
- Key Financial Drivers

Ensuring congruence between the Municipality's strategy and budget included alignment with the:

- IDP;
- Development Strategies;
- Core economic, financial and technical data obtained at local and national level; and
- Other issues, policies and strategies stemming deemed important in this regard.

6.2 Management and governance frameworks

The outcome of the modelling incorporated the above as well as the assumptions outlined below. The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- higher-than-inflation repairs and maintenance provision to ensure and enhance the preservation of municipal infrastructure;
- higher increases to selected cost elements subjected to higher-than-average inflationary pressure, such as staff costs;
- the assumption of a 100% capital expenditure implementation rate;
- credible collection rates based on collection achievements to date, and also incorporating anticipated improvements in selected revenue items; and
- national and provincial allocations as per the 2016 Division of Revenue Act (DORA) and

6.3 Revenue Framework

According to MFMA Circular No. 91, the following headline inflation forecasts underpin the 2018/19 national budget:

Fiscal year	2017/18	2018/19	2019/20	2020/21
	Estimate	Forecast		
Headline CPI inflation	5.3%	5.3%	5.4%	5.5%

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macroeconomic policies, unless it can be shown that external factors impact otherwise

The increase in revenue is mainly due to an increase in tariffs that have been in line and capped by the headline (CPI) inflation forecast. It should be noted that even though Kannaland Municipality had tariff increases that exceeded inflation the progress made to achieving a self-sustainable municipality has been offset by the increased inability to collect revenue. The cost of compliance, low productivity, the high cost of rural procurement and the inability to attract scarce skills at an affordable cost all contribute to an expense account that cannot be funded by our current revenue base and strategies need to be developed to expand the current revenue base with taking into account the limited water storage capacity at the same time. The drought is having an adverse effect on not only the ability to collect revenue, as a result of the downturn in the economy, but also on the selling of economic services (water and electricity) that are the main contributors to the profit margin of the municipality.

The increase in revenue is mainly due to:

- an increase in tariffs
- an increase in grant funding
- an increase in equitable share allocation (R24 023 000 – 2017/18 to R25 957 000 – 2018/19);
- the prevention of water losses due to by-passed and faulty water meters

6.4 Rates charges, tariffs and timing of revenue collections:

The Budget Committee made use of tariff modelling to calculate realistic tariff increases. Although the budget committee endeavoured to contain the increase within the 6% upper boundary of the South African Reserve Bank's inflation target, the model indicated that this was not possible. In order to have a funded budget the following tariff increases are recommended for the 2018/2019 financial year:

- Electricity - 6.84 % (Awaiting NERSA approval)
- Water - 6%
- Rates - 6%
- Refuse - 6%
- Sewerage - 6%
- Other - 6%

6.5 Grants and Subsidies

Local government allocations 2018/2019 - 2020/2021			
	2018-2019 R	2019-2020 R	2020-2021 R
National grants (DORA)	74 383 000	90 459 000	91 106 000
Equitable share	25 957 000	27 902 000	29 670 000
RBIG - Kannaland Dam re-allocation	15 000 000	20 000 000	15 000 000
Municipal infrastructure grant	10 156 000	10 271 000	10 589 000
Water service infrastructure grant	8 000 000		
RGIB - LDS & CAL WWTW	10 000 000	27 000 000	30 000 000
Financial MANAGEMENT GRANT (FMG)	2 215 000	2 215 000	2 647 000
Expanded public works programme (EPWP)	1 055 000		
Integrated Nat. electrification programme (municipal)	2 000 000	3 071 000	3 200 000
Provincial grants (Gazette)	3 411 000	2 625 000	2 413 000
Library services replacement fund	2 070 000	2 184 000	2 302 000
Human settlement development grant	380 000		
Proclaimed roads	50 000		
Financial management support grant	330 000	330 000	
Financial management capacity building	360 000		
Thusong Centre - operational support grant	110 000		
CDWs	111 000	111 000	111 000
Other	-	-	-
Total Allocations	77 794 000	93 084 000	93 519 000

6.1 Operating expenditure framework

The expenditure framework for the 2018/19 budget and MTREF is informed by the guidelines of National Treasury.

Reasons for significant cost variances:

- Debt impairment – The calculation is based on the 2017/18 payment ratios and also the current economic climate in Kannaland and the implementation of GRAP 1 *Presentation of Financial Statements*.
- Bulk purchases – The increase is based on the tariff for bulk purchases as set out by NERSA and the SALGA negotiated wage increase.

In expenditure debt impairment will be the offset of revenue to ensure that that there are only budgeted for realistically realisable revenue. An amount of R22 791 000 was budgeted to increase the provision.

The following table is a summary of the 2018/19 MTREF (classified by main expenditure types):

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type											
Employee related costs	2	43 725	50 741	47 710	45 190	47 485	47 485	47 485	55 215	56 807	59 798
Remuneration of councillors		2 663	2 884	2 613	3 056	2 928	2 928	2 928	3 053	3 207	3 369
Debt impairment	3	7 123	18 224	27 409	14 475	14 475	14 475	14 475	16 018	16 898	17 828
Depreciation & asset impairment	2	13 432	11 839	15 077	10 549	11 581	11 581	11 581	10 661	11 205	11 747
Finance charges		4 114	4 882	4 077	800	800	800	800	422	426	453
Bulk purchases	2	25 596	28 165	26 558	30 964	29 544	29 544	29 544	32 259	34 033	35 905
Other materials	8	1 432	4 657	2 146					3 054	3 250	3 452
Contracted services		10 202	18 951	16 012	-	-	-	-	8 280	8 417	7 967
Transfers and subsidies		-	-	-	-	-	-	-	3 126	2 766	2 868
Other expenditure	4, 5	22 941	24 552	17 946	21 277	29 665	29 665	29 665	11 891	11 821	12 459
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		131 227	164 896	159 548	126 312	136 478	136 478	136 478	143 977	148 830	155 843

The operating expenditure has increased from R136,477,718 in 2017/18 to R143 977 243 in 2018/19. The increase can be attributed to increases and decreases on several expenditure components.

Employee related costs increased from R47,484,741.660 (35% of operating expenditure) to R55,215,411 (37% of operating expenditure). The increase is a result of contract worker positions that will have to be filled and will have an additional expense in the form of 'company' contributions. There technical director position was also provided for, which is a critical position that needs to be filled as soon as possible.

The total cost to company cost for councillors amounted to R3,022,500.

6.2 Financial schedules

6.2.1 A4: financial Performance

WC041 Kannaland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework			LTFS	A4
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2032/33	
R thousand	1												
Revenue By Source													0100
Property rates	2	13 135	13 998	14 900	15 956	16 003	16 003	16 003	20 113	20 991	21 930		0200
Service charges - electricity revenue	2	34 658	38 800	41 953	44 425	41 101	41 101	41 101	46 578	49 169	51 841		0300
Service charges - water revenue	2	13 775	11 143	12 003	11 329	11 971	11 971	11 971	13 824	13 364	14 099		0400
Service charges - sanitation revenue	2	5 161	5 733	5 832	7 744	6 366	6 366	6 366	8 401	8 848	9 319		0500
Service charges - refuse revenue	2	4 846	4 826	5 353	5 760	5 952	5 952	5 952	6 190	6 651	7 016		0600
Service charges - other		–	–		–	–	–	–	–	–	–		0700
Rental of facilities and equipment		271	253	484	308	488	488	488	909	1 013	1 108		0800
Interest earned - external investments		966	266	845	600	350	350	350	500	500	560		0900
Interest earned - outstanding debtors		4 649	5 125	5 423	3 856	3 856	3 856	3 856	5 327	5 627	5 943		1000
Dividends received			3	3	3	3	3	3	3	3	3		1100
Fines, penalties and forfeits		696	5 354	6 107	6 053	6 053	6 053	6 053	8 486	8 931	9 432		1200
Licences and permits		267	320	280	295	295	295	295	152	160	169		1300
Agency services		734	763	780	905	905	905	905	960	1 017	1 078		1400
Transfers and subsidies		28 884	42 697	42 534	32 310	41 067	41 067	41 067	33 146	33 256	35 259		1500
Other revenue	2	4 853	6 569	7 949	793	354	354	354	1 876	1 924	2 144		1600
Gains on disposal of PPE		811	427		–	–	–	–	–	–	–		1700

WC041 Kannaland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework			LTFS	A4
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2032/33	
Total Revenue (excluding capital transfers and contributions)		113 705	136 278	144 446	130 337	134 764	134 764	134 764	146 466	151 454	159 904		1800
Expenditure By Type	-												1900
Employee related costs	2	43 725	50 741	47 710	45 190	47 485	47 485	47 485	55 215	56 807	59 798		2000
Remuneration of councillors		2 663	2 884	2 613	3 056	2 928	2 928	2 928	3 053	3 207	3 369		2100
Debt impairment	3	7 123	18 224	27 409	14 475	14 475	14 475	14 475	16 018	16 898	17 828		2200
Depreciation & asset impairment	2	13 432	11 839	15 077	10 549	11 581	11 581	11 581	10 661	11 205	11 747		2300
Finance charges		4 114	4 882	4 077	800	800	800	800	422	426	453		2400
Bulk purchases	2	25 596	28 165	26 558	30 964	29 544	29 544	29 544	32 259	34 033	35 905		2500
Other materials	8	1 432	4 657	2 146					3 054	3 250	3 452		2600
Contracted services		10 202	18 951	16 012	-	-	-	-	8 280	8 417	7 967		2700
Transfers and subsidies		-	-	-	-	-	-	-	3 126	2 766	2 868		2800
Other expenditure	4, 5	22 941	24 552	17 946	21 277	29 665	29 665	29 665	11 891	11 821	12 459		2900
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-		3000
Total Expenditure		131 227	164 896	159 548	126 312	136 478	136 478	136 478	143 977	148 830	155 843		3100
Surplus/(Deficit)		(17 522)	(28 618)	(15 102)	4 025	(1 714)	(1 714)	(1 714)	2 489	2 624	4 060		3200
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		32 449	34 842	22 963	30 801	21 652	21 652	21 652	44 648	59 828	58 260		3300
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-		3400

WC041 Kannaland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework			LTFS	A4
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2032/33	
Transfers and subsidies - capital (in-kind - all)	1	-	-	-	-	-	-	-	-	-	-		3500
Surplus/(Deficit) after capital transfers & contributions		14 927	6 224	7 862	34 825	19 938	19 938	19 938	47 137	62 452	62 320		3600
Taxation		-	-	-	-	-	-	-	-	-	-		3700
Surplus/(Deficit) after taxation		14 927	6 224	7 862	34 825	19 938	19 938	19 938	47 137	62 452	62 320		3800
Attributable to minorities		-	-	-	-	-	-	-	-	-	-		3900
Surplus/(Deficit) attributable to municipality		14 927	6 224	7 862	34 825	19 938	19 938	19 938	47 137	62 452	62 320		4000
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-		4100
Surplus/(Deficit) for the year		14 927	6 224	7 861 709,00	34 825	19 938	19 938	19 938	47 137	62 452	62 320		4200

6.3 REVENUE

WC041 Kannaland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Revenue - Functional										
Governance and administration		86 285	104 511	78 741	30 947	34 614	34 614	54 747	57 473	60 805
Executive and council		1 384	84 397	3 837	2 738	2 738	2 738	26 422	28 402	30 220
Finance and administration		84 901	20 114	74 903	28 208	31 875	31 875	28 325	29 071	30 585
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	29	4 125	4 373	4 373	13 525	12 229	12 676
Community and social services		-	-	-	2 065	2 266	2 266	13 125	12 207	12 654
Sport and recreation		-	-	-	-	-	-	20	21	22
Public safety		-	-	-	-	47	47	-	-	-
Housing		-	-	29	2 060	2 060	2 060	380	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		1 429	6 106	7 153	18 726	18 726	18 726	8 861	9 272	9 768
Planning and development		-	-	-	-	-	-	111	111	111
Road transport		1 429	6 106	7 153	18 726	18 726	18 726	8 750	9 161	9 657
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		58 439	60 503	81 488	107 339	98 703	98 703	113 982	132 309	134 914
Energy sources		34 658	38 800	46 904	57 608	54 485	54 485	48 778	52 451	55 264
Water management		13 775	11 143	15 013	14 485	10 159	10 159	38 584	35 221	31 058
Waste water management		5 161	5 733	10 347	25 426	24 048	24 048	19 414	36 917	40 446
Waste management		4 846	4 826	9 224	9 820	10 012	10 012	7 205	7 721	8 146
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	146 154	171 119	167 410	161 137	156 415	156 415	191 114	211 283	218 163
Expenditure - Functional	-									
Governance and administration		105 631	57 037	58 870	41 164	46 233	46 233	53 547	54 991	56 801
Executive and council		2 663	20 996	20 302	11 595	12 623	12 623	14 073	14 753	14 709
Finance and administration		102 967	36 041	38 568	29 569	33 609	33 609	39 474	40 238	42 092
Internal audit		-	-	-	-	-	-	-	-	-

WC041 Kannaland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description R thousand	Re f 1	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Community and public safety		–	6 824	18 088	6 148	7 796	7 796	9 964	9 096	9 707
Community and social services		–	5 530	4 929	2 861	3 682	3 682	7 377	6 756	7 237
Sport and recreation		–	767	519	795	896	896	267	293	310
Public safety		–	–	–	–	159	159	–	–	–
Housing		–	528	12 640	2 492	3 058	3 058	2 320	2 047	2 160
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	29 774	13 133	13 665	14 922	14 922	14 336	15 119	15 946
Planning and development		–	–	–	–	–	–	111	111	111
Road transport		–	29 774	13 133	13 665	14 922	14 922	14 225	15 008	15 835
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		25 596	71 261	69 457	65 335	67 527	67 527	66 129	69 625	73 390
Energy sources		24 789	38 363	32 667	37 455	36 690	36 690	40 698	42 936	45 298
Water management		807	16 770	14 180	12 344	15 532	15 532	12 335	13 012	13 726
Waste water management		–	8 743	8 923	8 772	8 681	8 681	7 732	8 164	8 598
Waste management		–	7 385	13 688	6 764	6 624	6 624	5 364	5 513	5 769
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	131	164	159	126	136	136	143	148	155
Surplus/(Deficit) for the year		14 927	6 224	7 862	34 825	19 938	19 938	47 137	62 452	62 320

TABLE 47: LONG TERM FINANCIAL PLAN – REVENUE

6.4 Capital Budget

The Capital budget is funded wholly from external grant funding and is aligned with Key Performance Area 1 – Reliable infrastructure.

WC041 Kannaland - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	27 000	59 828	-
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	27 000	59 828	-
Single-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	3 506	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	14 472	-	58 260
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	17 978	-	58 260
Total Capital Expenditure - Vote		-	-	-	-	-	-	-	44 978	59 828	58 260
Capital Expenditure - Functional											
Governance and administration		-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	4 405	4 907	4 907	4 907	3 176	-	-
Community and social services		-	-	-	1 000	29	29	29	-	-	-
Sport and recreation		-	-	-	3 405	4 879	4 879	4 879	3 176	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	670	1 396	1 396	1 396	330	9 757	10 060

WC041 Kannaland - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Planning and development		-	-	-	(519)	-	-	-	-	-	-
Road transport		-	-	-	1 189	1 396	1 396	1 396	330	9 757	10 060
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	17 206	29 006	29 006	29 006	41 472	50 071	48 200
Energy sources		-	-	-	-	8 000	8 000	8 000	2 303	3 071	3 200
Water management		-	-	-	4 000	7 800	7 800	7 800	29 169	20 000	15 000
Waste water management		-	-	-	13 206	13 206	13 206	13 206	10 000	27 000	30 000
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	-	-	-	22 282	35 309	35 309	35 309	44 978	59 828	58 260
Funded by:											
National Government		-	-	-	22 801	35 309	35 309	35 309	44 648	59 828	58 260
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	(519)	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	22 282	35 309	35 309	35 309	44 648	59 828	58 260
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	330	-	-
Total Capital Funding	7	-	-	-	22 282	35 309	35 309	35 309	44 978	59 828	58 260

TABLE 48: BUDGETED CAPITAL EXPENDITURE BY VOTE, FUNCTIONAL CLASSIFICATION AND FUNDING

6.5 Reconciliation of the strategic objectives and budget – Revenue – SA 4

WC041 Kannaland - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
KPA 1: RELIABLE INFRASTRUCTURE	SO 1: To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens			146 154	171 119	167 410	161 137	156 415	156 415	44 648	59 828	58 260
KPA 2: SERVICE DELIVERY	SO 2: Provide for the needs of indigent households through improved services									78 982	82 208	86 714
KPA 3: SAFE COMMUNITIES	SO3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks									8 638	9 092	9 602
KPA 4: SOCIO ECONOMIC DEVELOPMENT	SO 4: To facilitate economic growth and social and									26 422	28 402	30 220

WC041 Kannaland - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand													
KPA 5: EFFECTIVE AND EFFICIENT GOVERNANCE	community development		2							430			
KPA 6: EFFICIENT WORKFORCE	SO 5: To promote efficient and effective governance with high levels of stakeholders participation SO 6: To enable education and skills development to equip people with economic skills										3 854	2 809	2 942
KPA 7: FINANCIAL SUSTAINABILITY	SO 7: To strive towards a financially sustainable municipality										28 141	28 944	30 426
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)			1	146 154	171 119	167 410	161 137	156 415	156 415	191 114	211 283	218 163	

TABLE 49: SA 4

6.6 Reconciliation of the strategic objectives and budget – Operating expenditure – SA 5

WC041 Kannaland - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

2017/18 Kannaland - Supporting Table 2: Accommodation of 1st Strategic Objectives and Budget (Operating Expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand													
KPA 1: RELIABLE INFRASTRUCTURE	SO 1: To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens		1	131 227	164 896	159 548	126 312	136 478	136 478				
KPA 2: SERVICE DELIVERY	SO 2: Provide for the needs of indigent households through improved services										71 476	75 266	79 341
KPA 3: SAFE COMMUNITIES	SO3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks										8 533	8 998	9 486
KPA 4: SOCIO ECONOMIC DEVELOPMENT	SO 4: To facilitate economic growth and social and community development										27 985	29 460	31 129
KPA 5: EFFECTIVE AND EFFICIENT GOVERNANCE	SO 5: To promote efficient and effective governance with high levels of stakeholders participation										2 363	2 092	2 208
KPA 6: EFFICIENT WORKFORCE	SO 6: To enable education and skills development to equip people with economic skills										9 378	9 615	9 346
KPA 7: FINANCIAL SUSTAINABILITY	SO 7: To strive towards a financially sustainable municipality										24 243	23 400	24 334
Allocations to other priorities													
Total Expenditure				1	131 227	164 896	159 548	126 312	136 478	136 478	143 977	148 830	155 843

TABLE 50: SA 5

6.1 Transfer and grant receipts (SA18)

WC041 Kannaland - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
RECEIPTS:	1, 2									
<u>Operating Transfers and Grants</u>										
National Government:		-	-	-	3 664	3 664	3 664	29 735	30 631	32 846
Local Government Equitable Share		-	-	-	-	-	-	25 957	27 902	29 670
RSC Levy Replacement		-	-	-	-	-	-	-	-	-
Finance Management		-	-	-	2 145	2 145	2 145	2 215	2 215	2 647
Municipal Systems Improvement		-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Management		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme		-	-	-	-	-	-	-	-	-
Municipal Drought Relief		-	-	-	-	-	-	-	-	-
Electricity Demand Side Management		-	-	-	-	-	-	-	-	-
EPWP Incentive		-	-	-	-	-	-	1 055	-	-
Other transfers and grants [insert description]		-	-	-	1 519	1 519	1 519	508	514	529
Provincial Government:		-	-	-	323	6 169	6 169	3 411	2 625	2 413
Health subsidy		-	-	-	-	-	-	-	-	-
Ambulance subsidy		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	380	-	-
Sport and Recreation		-	-	-	-	-	-	-	-	-
Finance Management		-	-	-	-	-	-	330	330	-
Capacity Building		-	-	-	-	-	-	360	-	-
Library		-	-	-	-	-	-	2 070	2 184	2 302
Community Development Workers		-	-	-	-	-	-	111	111	111
Thusong Centre		-	-	-	-	-	-	110	-	-
Fin assistance for road maint		-	-	-	-	-	-	50	-	-
Other transfers and grants [insert description]		-	-	-	323	6 169	6 169	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	24 523	26 103	26 103	-	-	-

WC041 Kannaland - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<i>[insert description]</i>		–	–	–	24 523	26 103	26 103	–	–	–
		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	–	–	–	28 510	35 935	35 935	33 146	33 256	35 259
Capital Transfers and Grants										
National Government:		–	–	–	30 801	27 509	27 509	44 648	59 828	58 260
Municipal Infrastructure Grant (MIG)		–	–	–	13 852	10 560	10 560	9 648	9 757	10 060
Public Transport and Systems		–	–	–	–	–	–	–	–	–
Rural Transport Services and Infrastructure		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure		–	–	–	15 949	8 949	8 949	25 000	47 000	45 000
Rural Households Infrastructure		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership		–	–	–	–	–	–	–	–	–
Water Services Infrastructure		–	–	–	–	–	–	8 000	–	–
INEG		–	–	–	–	–	–	2 000	3 071	3 200
Other capital transfers <i>[insert description]</i>		–	–	–	1 000	8 000	8 000	–	–	–
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants <i>[insert description]</i>		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	–	–	–	30 801	27 509	27 509	44 648	59 828	58 260
TOTAL RECEIPTS OF TRANSFERS & GRANTS		–	–	–	59 310	63 444	63 444	77 794	93 084	93 519

TABLE 51: TRANSFER AND GRANT RECEIPTS (SA18)



Part E: Sector Planning

Chapter 7: Sector Planning

The below table indicates a list of critical Master, Operations and Maintenance plans that urgently need to be developed or reviewed. The management has highlighted the need for these critical plans at various IGR forums such as LGMTEC, MGRO and “Back to Basics” meetings. A formal request has been directed to the department of COGTA in specific Municipal Infrastructure Support Agency (MISA). MISA has agreed to assist the municipality with a revenue enhancement strategy and road and storm water master plan. In the absence of these plans, Council and management will be unable to do credible infrastructure planning and maintenance. It should be noted that once the council revised the objectives than the alignment will be re-designed as illustrated below.

7.1 Status Quo Master Plans, Operational, Maintenance and other plans

Plan	Status	Adopted by Council	KPA Alignment
Water Master Plan	Complete and will be reviewed in the 2015/16 financial year.	February 2012.	KPA 1
Sewage Master Plan	Complete and will be reviewed in the 2015/16 financial year	October 2009.	KPA 1
Roads and Storm water Management Plan	Not completed. The municipality plans to develop this plan during the 2015/16 financial year	Complete 2017	KPA 1
Spatial Development Framework	In process to be reviewed	November 2013. The SDF will be updated / review in the 2016/17 financial year	KPA 1,2,3,4,7
Integrated Transport Plan	Completed	May 2014	KPA 3
Disaster Management Plan	Completed	The plan was be reviewed May 2016	KPA 3
Waste Management Strategy	In process but not finalised as yet	Completed in May 2015	KPA 1 and 3
Human Settlement Plan	Complete	The HSP was be completed by end May 2016	KPA 1 and 4
Bulk Infrastructure Master Plan: Sanitation	Complete	February 2012	KPA 1

Local Economic Development Strategy	In process to be complete	May 2013	KPA 4
Air quality management Plan	Completed. A draft air quality management was developed with assistance of Provincial Government and adopted 2013/14 financial year. The document will be reviewed in the 2018/19 financial period	May 2014	KPA 3
Integrated Water Management Strategy for Ladismith (Storage, boreholes, water rights, runoff)	In process and plan to be completed in the 2018/19 financial year.	Will be developed in the 2016/17 financial year	KPA 1
Integrated Municipal Infrastructure Plan	Not developed as yet – plan to commence with the process in 2016/17	Not developed as yet – plan to commence with the process in 2018/19	KPA 1
Electricity Master Plan	Completed	January 2017	KPA 1 and 2
Water Services Development Plan	Completed	-	KPA 1 and 2
Water Revenue Management	Plan needs to be developed	This will form part of the revenue enhancement plan	KPA 7
Water Safety Plan	Plan needs to be developed	This will form part of the revenue enhancement plan	KPA 1,2,3
Alien invasive Management Plan	Plan needs to be developed	-	KPA 1,2,3

TABLE 52: STATUS QUO MASTER PLANS, OPERATIONAL, MAINTENANCE AND OTHER PLANS

7.2 Relationship between sectoral plans:

	Spatial Development Framework (KPA 1,2,3,4 and 5)	Zoning Scheme (KPA 4)	Housing Plan (KPA 4)	Integrated Transport Plan (KPA 3)	Infrastructure Master Plans (KPA 1)
Spatial Development Framework (KPA 1,2,3,4 and 5)			Identifies municipal growth direction Identifies areas to be protected (e.g. agriculture and nature) Identifies areas for economic development Identifies housing priority areas	Identifies municipal growth direction Identifies areas to be protected (e.g. agriculture and nature) Identifies areas for economic development Identifies housing priority areas	Identifies municipal growth direction Identifies areas to be protected (e.g. agriculture and nature) Identifies housing priority areas Identifies areas for economic development Identifies Infrastructure priority areas
Zoning Scheme (KPA 4)	Translates nature and form of urban development needed into supportive regulations		Provides for overlay zones meeting the specific requirements of different human settlements	Provides for land use regulations that supports public transport Indicates extent of land use right requiring services	Provides for land use regulations that supports efficient infrastructure provision Indicates extent of land use right requiring services

	Spatial Development Framework (KPA 1,2,3,4 and 5)	Zoning Scheme (KPA 4)	Housing Plan (KPA 4)	Integrated Transport Plan (KPA 3)	Infrastructure Master Plans (KPA 1)
Housing Plan (KPA 4)	Identifies current settlements and interventions which should be accommodated in future planning	Identifies nature and form of human settlement development which is affordable		Identifies current settlements and interventions which should be accommodated in future planning	Identifies current settlements and interventions which should be accommodated in future planning
Integrated Transport Plan (KPA3)	Identifies transport and roads priority areas	Identifies ideal route classification	Identifies transport and roads priority areas		Identifies transport and roads priority areas
Infrastructure Master Plan (KPA 1)	Identifies existing infrastructure capacity/constraints Identifies interventions required to support growth/infill	Identifies existing infrastructure capacity/constraints	Identifies existing infrastructure capacity/constraints Identifies interventions required to support growth/infill	Identifies existing infrastructure capacity/constraints Identifies interventions required to support growth/infill	

TABLE 53: RELATIONSHIP BETWEEN SECTOR PLANS

7.3 List of Statutory, Strategic and Operational Plans

STATUTORY PLANS

- ✓ IDP and Process Plan (Budget Time Schedule of Events for the Approval of the Budget and IDP)
- ✓ Spatial Development Framework
- ✓ Municipal Disaster Risk Management Plan
- ✓ Integrated Human Settlements Plan
- ✓ Comprehensive Integrated Transport Plan (inclusive in document)

STRATEGIC AND OPERATIONAL PLANS (can be obtained on request)

- ✓ Economic Development Strategy
- ✓ Water Services Departmental Sector Plan
- ✓ 2016/17 Annual Report and oversight report
- ✓ Air Quality Management Plan (AQMP)
- ✓ Comprehensive Integrated Transport Plan

Addendum 1 - Financial Recovery Plan

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
Programme 1: Budgeting and Expenditure Management	Review budgeting process, principles and strategy as well as expenditure management systems to ensure efficient and effective service delivery in line with Kannaland Municipality priorities.	Prepare and implement 2016/17 Adjustment Budget	Finance	February 2017	March 2017	Adjustment budget completed	Not started
		Prepare and table the 2017/18 MTREF Budget	Finance	March 2017	May 2017	Credible MTREF Budget	Not started
		Developing long-term Financial Plan to inform budget and financial operational planning	Finance	March 2017	June 2018	Adopted LTFFP	Not started
		Institutionalise pre-determined creditors payment dates and implement expenditure and creditors management.	Finance CFO	January 2017	On-going	Fixed creditors payment dates determined and management of expenditure and creditors	Not started
Programme 2: Revenue Management	Review revenue management systems to maximise	Draft and implement revenue enhancement strategy and plan to improve	Finance	July 2017	February 2018	Completed revenue enhancement strategy	Not started

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
	revenue generation possibilities and improve revenue performance	revenue value chain.					
		Perform complete meter audit of metered services	Finance and Engineering	November 2016	December 2016	Completed meter audit and corrections done on FMS	Completed
		Perform a physical verification of all services and service connection points	Engineering and Building control	January 2017	March 2017	Physical verification of service points.	Not started
		Perform debtor data analysis and cleansing	Finance	February 2017	April 2017	Accurate and verified debtor data	Not started
		Perform a complete indigent verification process	Finance	July 2016	February 2017	Completed and verified indigent register	In process
		On site water demand management and loss control	Engineering	Sept 2016	June 2017	Leak free customer installations – Reduced losses	Not started
		Analyse electricity losses and draft a loss control program.	Finance & Engineering	July 2016	September 2017	Completed loss control strategy	Not started
		Engage in meter replacement program.	Finance & Engineering	February 2017	June 2019	All broken meters replaced	Not started

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
		Implementation of cost reflective tariff modelling and revision of all miscellaneous charges	Finance	March 2017	July 2019	Cost reflective tariffs for all services	Not started yet
		Reviewing, analysing and performing benchmarking of user tariffs to the industry norm	Finance	January 2017	Continuous	Debtors collection rate of 60% currently	Continuous
		Enforce credit control and debt collection policy	Finance	January 2017	Continuous	Debtors collection rate of 60% currently	Continuous
		Implement appropriate revenue collection systems	Acting CFO	January 2017	Continuous	Improved collection rate	Not started yet
		Accurate calculations and timeous reporting of revenue due and outstanding debtors on a monthly basis	Acting CFO, Acting BTO Manager	January 2017	Continuous	Improved revenue forecasting	Not started yet
		Appropriate monitoring and oversight of debt collection practices and	Acting CFO, Acting BTO Manager	January 2017	Continuous	Reduced long outstanding debtors	Not started yet

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
		timely action with regards to debt impairment					
		Allocate sufficient staff/ capacity to proactively drive the revenue management and debt collection functions and policies to intensify revenue collection.	Acting MM, Acting CFO	March 2017	Continuous	Improved revenue management and debt collection	In process
		Perform a provisional Revenue enhancement Assessment	Finance CFO	July 2017	June 2018	Revenue enhancement assessment report	Done
		Draft a and implement revenue enhancement strategy and plan to improve revenue value chain	Finance	July 2018	June 2019	Completed revenue enhancement strategy	Procurement process Started
Programme 3: Customer care services	Enhance levels of customer care, increase responsiveness to	Improve community access points	Finance Corporate	January 2017	June 2017	Accessible complete service and payment points	In process

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
	consumer billing and other queries.						
		Engage in a customer satisfaction survey	Finance Corporate	July 2017	December 2017	Completed customer survey	Not started
		Implement a customer service call centre	Finance Corporate	November 2017	January 2018	Customer call centre established	Not started
		Set benchmarks for activities relating to complaints	Finance Corporate	November 2016	Continuous	Benchmark document drafted	In Progress
		Set service level standards for customer responses	Finance Corporate	November 2016	August 2017	Service level agreement with communities concluded	In Progress
Programme 4: Cash Management and liability	Review cash and debt management strategies and practices. Review all liabilities current and non-current and devise a strategy to meet obligations in	Implement cash flow monitoring.	Finance	November 2016	On-going	Short term liability position determined and cash flow requirements set for MTREF	In Progress

Priority Area	Key Deliverable Project	Activities	Responsibility Department	Start date (S,M,L)	End date	Outcome	Status
	a timely manner in accordance with legislative requirements.						
		Design and implement an effective grant management and monitoring system to ensure that conditional grants are only used for their intended purposes.	Finance	November 2016	May 2017	Attainable cash flow targets set for the MTREF	In process
		Daily management of cash-flow with weekly reporting.	Finance	November 2016	On-going	Attainable cash flow targets set for the MTREF	In process
		Perform monthly bank reconciliations.	Finance	November 2016	On-going	Credible bank reconciliations	In process
		Review long-term debt and restructure where economic benefits can be attained.	Finance	November 2016	On-going	Managing creditors to reduce liability	In process
		Set cash flow targets for the MTREF	Finance	November 2016	July 2018	Attainable cash flow	In process

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
						targets set for the MTREF	
		Review and calculate short term liabilities	Finance	November 2016	February 2017	Short term liability position determined and cash flow requirements set for MTREF	In Progress
		Review and calculate long term liabilities	Finance	November 2016	February 2017	Long term liability position determined and cash flow requirements set for Long term funding requirements	In Progress
		Review and disclose all contingent liabilities	Corporate & Legal	June 2017	31 August 2017	Completed contingent liability register	Not started
		Engage with creditors to discuss repayment plans/arrangements	Acting MM and Acting CFO	November 2016	February 2017	Restructured repayment arrangements	In Process
		Draft repayment plans for liabilities and enter into	Finance	November 2016	August 2017	Arrangement with all creditors	On-going

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
		arrangements with creditors				concluded and cash flow requirements determined	
		Monitor that repayments are being made according to the agreed repayment plans.	Finance	November 2016	June 2018	Arrangement with all creditors concluded and cash flow requirements determined	On-going
		Develop standard operating procedure manuals	Finance	April 2017	June 2017	Standard operating procedures developed and implemented for all finance related activities	Not started
		Review job descriptions on all staff	Finance	February 2017	June 2017	Job descriptions reviewed for all finance staff members	Not started
Programme 5: Financial Controls	Review internal controls and delegations regarding	Draft 2015/2016 Audit Plan (OPCAR)	Finance Western Cape PT	February 2017	March 2017	Audit action plan addressing all audit findings for 2015/2016	Action plan draft in progress

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
	financial management	Implement 2015/2016 Audit Plan (OPCAR)	Finance	April 2017	August 2018	Corrective action implemented for all audit findings of 2015/2016	Not started
		Perform risk assessment and implement a risk management system	Risk Management	May 2017	September 2017	Risk management system implemented	Not started
		Revise and implement internal controls to mitigate financial risks	Finance & Risk Management	February 2017	June 2018	All internal controls reviewed and implemented	Not started
		Review all policies, budget and non-budget related, and amend where necessary.	All	March 2017	May 2017	Updated Policies	Not started
		Workshop all policies with related staff.	All	May 2017	July 2017	Policies workshopped	Not started
		Review job descriptions.	All	February 2017	July 2017	Update JD's with new Organogram.	Not started
		Review archiving and record keeping.	All	February 2017	July 2017	Ensure safe guarding of documentation.	Not started

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
		Staffing of Budget and Treasury Office organogram with suitably qualified and experienced staff.	Finance	February 2017	July 2017	Capacitate staff to perform daily tasks relating to the relative departments.	Not started
		Capacitating and skills development of finance department staff.	Finance	February 2017	July 2017	Fully capacitated and trained staff to work independent from consultants.	Not started
		Implement internal controls to mitigate financial risks	Finance & Risk Management	March 2017	December 2017	All internal controls reviewed and implemented	Not Started
Programme 6: Asset Management	Implementing asset management through an integrated	Review and update Asset Register.	All	April 2017	August 2017	Updated FAR.	Not started
	infrastructure and asset management plan.	Perform assessment of the useful lives of all infrastructure assets by performing a conditional assessment and ensure that a GIS reference exists	Engineering	April 2017	July 2017	FAR with reviewed useful lives	Not started

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
		for all infrastructure assets.					
		Unbundle the completed infrastructure projects for 2016/2017	Finance	April 2017	July 2017	Unbundled infrastructure transferred from WIP to PPE	Not started
		Establish a complete Work-in-Progress (WIP) register.	Finance	April 2017	August 2017	Unbundled infrastructure transferred from WIP to PPE	Not started
		Draft review and implement Asset Procedure Manual	All	April 2017	March 2017	Asset procedure manual drafted and implemented in all departments	Not started
		Draft asset maintenance plans for all asset categories	All	April 2017	December 2017	Asset maintenance plans drafted	Not started
		Perform a municipal strategic asset assessment programme.	All	April 2017	July 2017	Assets identified, performance assessed and management programme drafted.	Started with assistance of NT expert
		Update master plans for all	All	April 2017	June 2018	Master plans updated for	Not started

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
		infrastructure assets.				all infrastructure services.	
		Perform a land audit to identify all municipal assets.	All	January 2017	June 2017	Municipal land audit completed and register updated	In Process
		Perform performance assessment of all municipal properties.	All	April 2017	June 2018	Asset management strategy and disposal framework drafted	Not started
		Draft a municipal asset management strategy inclusive of a performance and disposal framework.	All	April 2017	June 2017	Asset management strategy and disposal framework drafted	Not started
Programme 7: Supply Chain Management	Implementing asset management through an integrated infrastructure and asset management plan. Review governance	Review SCM Delegations	CFO	November 2016	January 2017	System of delegations approved	In Process
		Organise training for all Bid Committees	Finance	April 2017	May 2017	Trained Bid committees	Not started
		Implement electronic Contract Management system	All	Jan 2017	June 2017	Electronic contract management system implemented	Not started

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
	practices in the Supply Chain practices and implement proper controls and risk management practices.	Review Supply chain Management Policy	Finance	November 2016	February 2017	Reviewed policy to ensure that it is in line with SCM Regulations.	In Process
		Review Supply Chain Structure	Finance	November 2016	February 2017	Reviewed functional organisational structure for SCM	In Process
		Workshop all policies with related staff	Finance	March 2017	May 2017	Workshopped policies	In Process
		Develop and centralise online Procurement and Record Management System for all procurement	Finance	November 2016	February 2017	Electronic SCM system implemented	Not started
Programme 8: Institutional stabilisation	Stability in council, fill management vacancies, conduct organisational redesign, compile all job descriptions and have job evaluations done	Review the Organisational structure and place staff in accordance with newly approved organogram.	Acting MM	December 2016	May 2017	Right fit approved organogram	In process
		Ensure political stability post Local Government Elections	Administrator	August 2016	August 2017	Functional council	In process

Priority Area	Key Deliverable Project	Activities	Responsibility Department	Start date (S,M,L)	End date	Outcome	Status
		Fill critical vacancies - Municipal Manager, Chief Financial Officer, HODs and key management staff	Acting MM and Acting CFO	June 2017	September 2017	Key management positions filled	Not started
		Capacitating and development of finance department staff	Finance	June 2017	July 2018	Fully capacitated and trained staff to work independent from consultants	Not started
		Review all HR and organisational policies processes and procedures	Corporate services	June 2017	June 2018	Employee handbook developed containing all HR policies, procedures and processes	Not started
Programme 9: Accounting IT and Data Management	Review IT infrastructure and implement Accounting and Budget Reforms	Review IT infrastructure and develop and implement infrastructure replacement policy	Corporate services	July 2017	July 2019	IT infrastructure replacement policy developed	Not started
		Establish and institutionalise an IT Steering committee.	All	February 2017	Continuous	IT Steering committee established	Not started

Priority Area	Key Deliverable Project	Activities	Responsible Department	Start date (S,M,L)	End date	Outcome	Status
						and operational	
		Establish mSCOA Steering Committee and implement reforms.	Finance with All	January 2017	June 2018	mSCOA Implemented successfully	In process
		Review all computer hardware and software and implement management reporting system	All	January 2017	June 2017	IT management reporting system implemented	Not started
		Employ Acting CFO	Finance	October 2016	April 2017	To create stability within the department	In Process
Programme 10: Liability Management	Review all liabilities current and non-current and devise a strategy to meet obligations in a timely manner in accordance with legislative requirements.	Review and calculate short term liabilities	Finance	February 2017	August 2017	Short term liability position determined and cash flow requirements set for MTREF	Not started
		Review and calculate long term liabilities	Finance	February 2017	August 2017	Long term liability position determined and cash flow requirements set for Long	Not started

Priority Area	Key Deliverable Project	Activities	Responsibility Department	Start date (S,M,L)	End date	Outcome	Status
						term funding requirements	
		Review and disclose all contingent liabilities	Corporate & Legal	June 2017	August 2017	Completed contingent liability register	Not started
		Engage with creditors to discuss repayment plans/arrangements	Acting MM and Acting CFO	November 2016	August 2017	Restructured repayment arrangements	In Process
		Draft repayment plans for liabilities and enter into arrangements with creditors	Finance	November 2016	August 2017	Arrangement with all creditors concluded and cash flow requirements determined	On-going

TABLE 54: FINANCIAL RECOVER PLAN